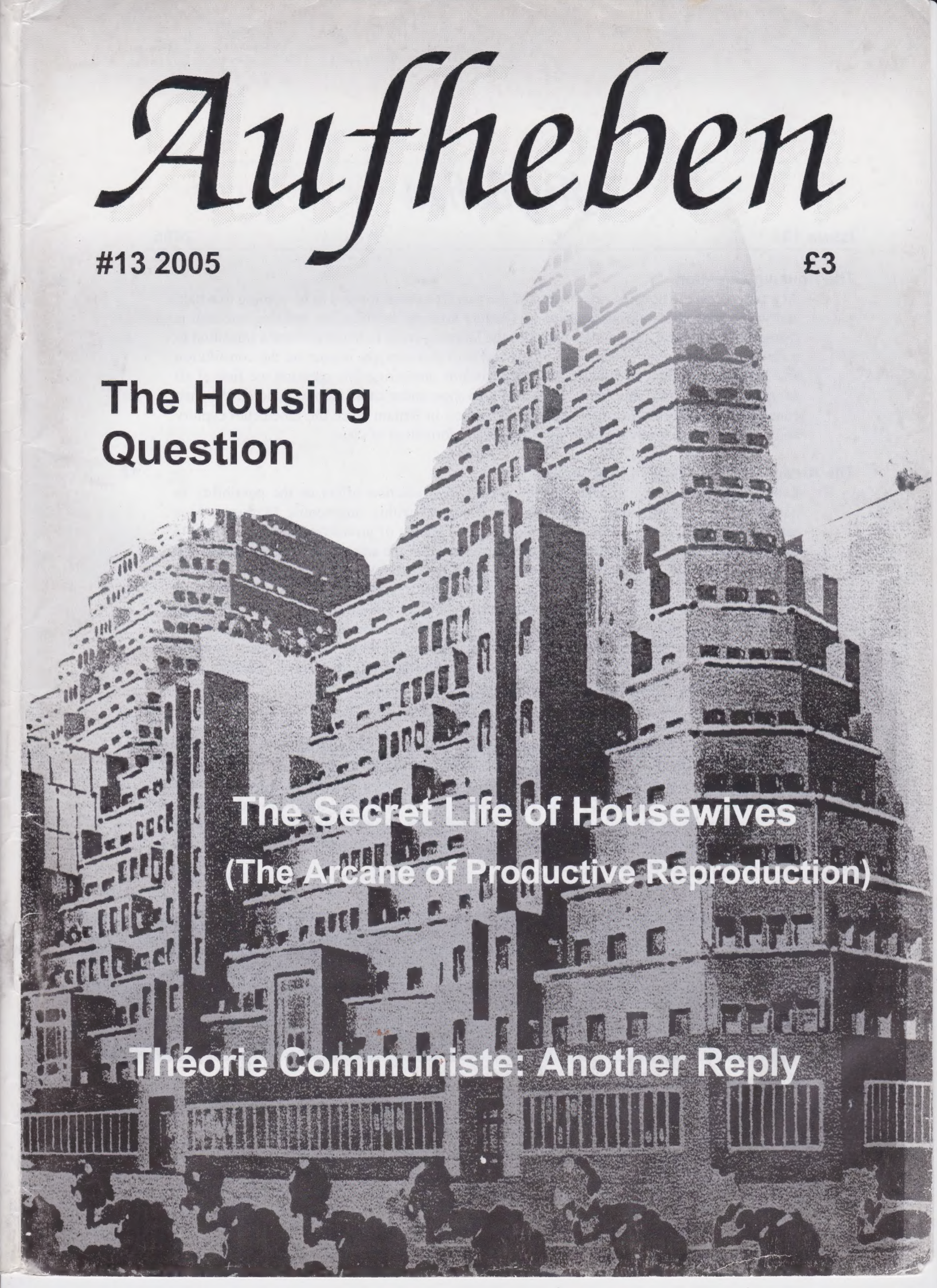


Aufheben



#13 2005

£3

The Housing Question

The Secret Life of Housewives
(The Arcane of Productive Reproduction)

Théorie Communiste: Another Reply

Aufheben

Issue 13

2005

The Housing Question

1

At a time when the housing price boom of the past five years appears to be coming to a halt, and when there is increasing concern of a severe housing shortage, the housing question is rising on the political agenda. We ask does the looming crisis in housing mark a transition to a new era in housing provision and, if so, how will this new era impact on the constitution and formation of class in Britain. As a step towards answering this question we first of all consider the particular problems of housing provision under capitalism in general. We then consider the particular history of housing provision in Britain since the nineteenth century and the impact this has had on the constitution and formation of class.

The Arcane of Reproductive Production

18

Leopoldina Fortunati's pamphlet *The Arcane of Reproduction* offers us the possibility to comment on key questions which have been central within autonomist Marxism: does reproduction work, or, in general, work outside the sphere of production produce value? Is unwaged activity organised and commanded by capital in the same way as waged work and to what extent? How does capital subsume all activity inside and outside the sphere of production? How useful is it to describe our society as a 'social factory'? Is capitalism just the imposition of work and discipline? Is it true that labour power is 'a commodity like all others'? And last but not least: does Fortunati share with autonomist Marxism a tradition of incompatibility with... mathematics? In trying to answer these questions we compare Fortunati with other theorists from the autonomist tradition (Harry Cleaver, Massimo De Angelis, Antonio Negri and Michael Hardt).

Théorie Communiste responds

39

In *Aufheben* #11 we published a critique of our articles on 'decadence' (from *Aufheben* issues 2-4) by the French group *Théorie Communiste* (TC). In the following issue we published our reply to TC's critique. Since then we have had a number of exchanges with TC in which they responded to our reply. We have collected together and edited their written responses on the following points: (1) whether the proletariat has to recognise itself to abolish itself; (2) The possibility of a second phase of real subsumption of labour under capital; and (3) the concept of alienation.

Aufheben

(past tense: *hob auf*; past participle: *aufgehoben*; noun: *Aufhebung*)

There is no adequate English equivalent to the German word *Aufheben*. In German, it can mean 'to pick up', 'to raise', 'to keep', 'to preserve', but also 'to end', 'to abolish', 'to annul'. Hegel exploited this duality of meaning to describe the dialectical process whereby a higher form of thought or being supersedes a lower form, while at the same time 'preserving' its 'moments of truth'. The proletariat's revolutionary negation of capitalism, communism, is an instance of this dialectical movement of supersession, as is the theoretical expression of this movement in the method of critique developed by Marx.

The Housing Question

Introduction

For the vast majority of people living in a capitalist society housing is an ever-present concern. Finding somewhere to live, finding the money to pay the rent or to keep up the mortgage repayments, negotiating contractual obligations with landlords or mortgage lenders, solicitors and estate agents, are all familiar and recurrent problems. Yet housing is not merely a basic necessity, it also provides an important reference point through which we come to exist in capitalist society. Where we live, what type of housing we have, what type of tenure we hold, all condition who we are, what we are seen to be and the environment in which we are able to live our lives. As such housing is a major material determinant of our social being.

However, the very ubiquity of housing in our everyday lives has often meant that the political and social importance of housing is overlooked by those interested in the social question. Yet, as one of the central elements in the reproduction of labour power, housing is above all a class issue. Not only that, with the ending of the housing bubble, that threatens the stability of the economy, and the looming shortage of housing, the issue of housing is rising on the political agenda in Britain for the first time for twenty years.

Whereas the US and much of Europe experienced a prolonged economic slow down following the dot.com crash three years ago, the UK has been able to sustain its economic growth. Indeed, having effectively skipped the last recession, Gordon Brown has been able to claim that the UK economy has experienced the longest period of uninterrupted growth since the industrial revolution! Britain now has levels of inflation and unemployment not seen since the end of the long post war boom of the 1960s.

An important factor that has allowed the UK to ride out the dot.com crash was the rather fortuitously timed expansion of public expenditure. But perhaps more important than this inadvertent Keynesianism was the housing bubble. In the last five years the house prices have doubled. Borrowing against the rising value of their homes, house owners have fuelled an unprecedented consumer boom. As a result of this debt fuelled boom, personal debt has risen to over £1 trillion - that is nearly the value of the entire annual GDP of the United Kingdom.

What has become obvious is that house prices cannot continue to rise several times faster than wages. At the time of writing there is mounting evidence that the downturn in the housing market has begun. Whether the housing bubble is going to burst with a sharp fall in house prices or whether it will slowly deflate producing a long period of stagnation it is too early to say. Of course, housing bubbles are nothing new. As we shall see, ever since the deregulation of the financial system in 1970 there have been sharp rises in the price of houses followed by long periods in which prices stagnated. However, previous bubbles were short, lasting between eighteen months to three years. This housing bubble has gone on for almost five years.

Of course, it can be argued that previous bubbles were cut short by either rising unemployment or by a sharp rise in interest rates, neither of which has so far occurred to puncture the current bubble. However, there are reasons to believe that the current housing bubble marks the end of an era of housing provision that began in the 1970s.

Firstly, as the government has already recognised, it is becoming apparent that we are heading for a serious housing

crisis. On the demand side, social and demographic changes are increasing the demand for housing. An aging population and increased divorce rates mean that there are a growing number of single households requiring their own accommodation. At the same time, the growing dominance of London is drawing the population South. Hence the housing stock is not only insufficient to meet demand but also much of it is in the wrong place. On the supply side, the building industry has failed to make up for the dramatic fall in the public construction of houses since the late 1960s. Over the past 30 years the building of new houses has barely kept pace with the growth in demand for housing let alone been able to provide replacements for the old housing stock. As a result Britain has aging, and increasingly decrepit, housing stock¹.

The current prolonged housing bubble can be therefore seen as an early symptom of the housing crisis. As the chronic failure to build enough houses over the last few decades comes up against the increasing demand for housing, house prices are being forced up.

Secondly, there seems to be a wider economic transition that has an important bearing on the housing market. Since the 1970s we have been in a period of high inflation and, as a consequence, high nominal interest rates. Now, with the growing competition from low wage economies such as China, it seems likely that we have entered a period of low inflation and consequently low nominal interest rates. Lower interest rates mean that house buyers can afford to borrow more to buy a house. As a result lower interest rates mean higher house prices. Thus the housing bubble can be seen to have been prolonged by the adjustment to the new low interest rate regime.

If it is the case that we are in a transition to a new era in housing this is likely to have wider political and economic implications. However, it is perhaps too early to make predictions on how the working class will react to the new housing regime.

In this article we shall confine ourselves to placing the current housing situation in its historical context. In doing so it will be necessary to employ the rather controversial category of the 'middle classes'. The notion of the 'middle class' is often criticised as a sociological category, which too often escapes an adequate and well-founded definition. This is undoubtedly true. However, this does not mean that the notion of a middle class is merely an illusion or merely an ideological construct made up by sociologists. The notion of the 'middle class' is drawn and systemised by bourgeois sociologists from the real perceptions and experiences of people living in contemporary capitalist society. For us the middle class is a category of real appearance that emerges at a more concrete level of analysis than the more essential relations of production, which give rise to the categories of capitalist and proletarian. As such, middle class, and its opposition to the category working class, is constituted by a complex of historically contingent factors, many of which lie outside the immediate process of capitalist production. As a consequence, the definition of middle class varies across time and place. As we shall argue, in Britain during the twentieth century housing tenure became an

¹ It has been estimated that, with the present demand for new housing, at the current rate of construction it would take a thousand years to replace Britain's housing stock!

important, but far from exhaustive material factor in the constitution of a distinct middle class, which had important political and ideological effects.

However, before examining the history of housing in Britain we shall first consider some general issues regarding housing under capitalism.

Housing under Capitalism

Housing has proved to be particularly problematic in the development of capitalism. The production of housing as a commodity as such has failed to provide adequate, secure and affordable housing for the working class. As a consequence, the state has been increasingly obliged to intervene in the provision of housing over the last hundred years or more.

To gain an understanding of why this has been the case we shall, at the risk of simplification, briefly look at how the production and sale of houses occurs in the absence of state intervention given the continued presence of private property in land.²

For more than 200 years the provision of housing for the private sector in Britain has been the preserve of 'speculative builders'. Houses are not built to order but for sale on the housing market. As such housing is no different from any other capitalistically produced commodity that enters the means of subsistence of the worker.

In general the market price at which the worker buys a commodity is determined by its production price. The production price is in turn determined by the costs of production - made up of the costs of labour directly and indirectly employed in producing the commodity and the means of production used up during the production process - together with the average rate of profit on the total capital advanced for production. If the market price rises above the production price then this will raise the capitalist's rate of profit above the average. Capital will be attracted from other industries increasing the supply of the commodity. This will then lower the market price. Similarly, if the market price falls below the production price then capital is withdrawn from the industry reducing the supply and thereby raising the market price. Hence, the free movement of capital produces a tendency for market prices to gravitate around the production prices, at which capitals obtain the average rate of profit. As a result, capitalists in each industry tend to realise surplus value in proportion to the capital they advance.

However, houses have to be built on land. Before a capitalist builder can build houses they have to buy land. Private property in land therefore acts as a barrier to the investment of capital into the construction industry, which allows the landowner to extract a payment for surrendering the ownership of land. Thus, although land is not produced by labour - and hence has no value in itself - the landowner can appropriate value. As a consequence, the production price not only includes the costs of labour and means of production used in the construction of the house but also the price of the land on which it stands.

Furthermore, the price paid for a house is only a part of the cost of housing. Firstly, there are of course, the costs of repair and maintenance necessary to keep housing habitable. In the case of owner-occupiers this will be usually paid directly. For

those renting the cost and maintenance will, at least in part be paid indirectly through the rent.

Secondly, there are transaction costs, which are particularly significant for those buying their own home. The buying and selling of housing involves costs much greater than most other commodities a worker might buy. Estate agents, solicitors and surveyors all demand their fees and commissions adding to the eventual sale price of a house. But more importantly the cost of housing also includes the interest paid in order to borrow the money to buy the house. Since the price of a house is usually several times the annual wage of a worker, it cannot be bought outright. Either a landlord borrows the money to buy the house and then rents it out to the worker or the worker has to take out a mortgage. Either way the interest will amount to a substantial part of what the worker will eventually pay.

Thus the cost of housing the working class, whether it is paid in the form of rent to a private landlord or mortgage repayments to a bank or building society, includes not only the cost and profits necessary for the construction of the house, but also substantial payments to bankers, landowners and housing professionals.

Of course, the costs of housing are part of the value of labour power. To the extent that the working class is able to pass these costs on in the form of higher wages then they will come out of the total surplus value produced in the economy as a whole. Surplus value that would otherwise have gone to capitalists under the heading of profits will now be pocketed by bankers, landowners and housing professionals in the form of interest, land rent or commissions. This squeeze on profits may potentially undermine capital accumulation. However, to the extent that the working class is unable to pass on housing costs, then the reproduction of the working class may become impaired through inadequate, insufficient and substandard housing.

As we shall see, these conflicting interests in the provision of housing have meant that housing has often been an important site of class conflict. To understand such conflicts we must consider how housing enters in the reproduction of the worker's labour power.

Housing and the reproduction of labour power

Housing is a vital element in both the material and social reproduction of the working class. Of course, in all but the most benign climates shelter from the natural elements is a basic human need. However, under capitalism shelter assumes the fixed and social form of housing, which serves to reproduce individuals and families - households - as integral members of bourgeois society. Housing not only functions to maintain the physiological and psychological health and well-being of the household members but also serves to enclose a distinct private space out of which household members are constituted as consumer/citizens. As a home, housing is the primary site for the consumption of commodities. Housing not only protects the members of the household from the natural elements but it also physically protects what they own. Hi-fis, televisions, beds and sofas are all venerable to wind and rain. But more importantly housing also protects what they own from others outside the household.

Housing becomes the physical expression of the separation of the public and private. The walls of a house separate the personal relations within the home from the impersonal relations of the market and the state outside them. Commodities are bought in the market and then brought home to be consumed. In selling their labour power the household

²Marx's theory of rent was developed in relation to agriculture. Attempts to apply this theory to urban rents has proved to be highly controversial see for example 'The Political Economy of Housing' in *Political Economy and the Housing Question* by S. Clarke and N. Ginsberg. We do not propose to enter this controversy here.

will usually need to supply an address to their prospective employers. At the same time, an address of a fixed abode is the first requirement in any interaction with any agency of the state whether this is the police, tax office, benefit offices or health service.

Hence housing is central for the integration of the individual within bourgeois society. To be homeless is not simply to be deprived of adequate shelter but to be socially excluded, to be rendered a non-person. For this reason the threat of homelessness has been a particularly potent weapon for capital in its efforts to impose work. After all, the need to pay the rent or to maintain mortgage repayments, the need that is to prevent eviction and homelessness, is ultimately the strongest objection to strike action.

However, while capital as a whole requires to maintain a minimum level of homelessness as a warning to the working class of the consequences of shirking labour, for the most part, it requires a well housed working class. Of course, as we shall see, from an early stage of industrial capitalism it was recognised that good housing was central for the health and thus the productivity of the working class. It was also recognised by several philanthropic employers in early nineteenth century that good housing helped to produce 'good workers' by integrating them into bourgeois society as responsible consumer/citizens.

However, while this may be the case for capital considered as whole this is not necessarily the case for the individual capitalist. For the individual capitalist what is of concern is that his workers are able to turn up in a fit condition for work on a week-to-week basis. The fact that the worker may live in damp, insanitary and overcrowded conditions that may lead to the ill health of the worker or his family in ten years time is of little concern to an individual capitalist. Furthermore, under the immediate pressure of competition the individual capitalist has little concern for the impact of housing conditions on the next generation of workers or those that he does not presently employ, such as the sick or the unemployed. As a consequence, in circumstances where the capitalist employers have the upper hand, and wages are pressed below the value of labour power, the full costs of housing the working class is unlikely to be met.

Yet in the reverse situation, where workers have the upper hand, capital faces a problem of spiralling wage costs. The housing costs of workers can vary considerably. Housing costs will vary substantially according to the size of family and with locality, and in the case of owner-occupiers, with when the house was bought. If workers are able to make the capitalist pay the full costs of those living in the most expensive accommodation, wages will more than cover the housing costs of the majority of workers. As this becomes incorporated in what is deemed an acceptable standard of living the value of labour power - and hence wages - will be ratcheted up.

Housing cost is therefore not only a substantial and vital element in the value of labour power, but also a problematic one for capital as a whole. For those groups of worker who are in a strong bargaining position the incorporation of housing costs can lead to spiralling wages, on the other hand workers in a weaker bargaining position may have wages that are insufficient to meet the cost of adequate housing for the long term reproduction of their labour power. As a result the state has been obliged to intervene in the provision of housing.

Yet it is often not enough to overcome bad housing by simply insisting that capitalists raise wages, for instance by imposing a legal minimum wage. A rise in wages does not

necessary lead to more or better housing. Rising wages may lead to an increased effective demand for housing but this is often swallowed up by rising land prices. This, as we shall see, was particularly true in the nineteenth century under the English landed system. However, it is still the case today when speculative house builders can expect to make a large part of the profits from the speculation in land rather than in the actual construction of houses.

What is more the problem of housing has become progressively worse as housing has come to represent an increasingly larger part of the value of labour power. In the late nineteenth century the typical mortgage taken out by a skilled worker would take ten to twelve years to pay off. Now the standard length of a mortgage is twenty-five to thirty years. The increasing relative costs of housing have been due to the low growth in the productivity of house construction. Although labouring work has been largely mechanised in the last few decades the skilled work of bricklayers, carpenters, plasterers and plumbers etc. has changed little over the last hundred years. Indeed, over all, the production process of house construction is not very different from what was in the Victorian era.

To some extent this slow growth in the productivity of house construction has been due to the inherent nature of house building that has prevented the application of mass standardised production techniques. But more importantly it is because of the social nature of the private speculative building industry, which has dominated housing construction. There are two principal reasons for this³.

Firstly, speculative builders have tended to construct housing in relatively small batches that has prevented the exploitation of economies of scale. House construction takes months and ties up a considerable amount of capital that can only be realised once the houses are finished and sold. By the frequent construction of small numbers of houses at a time, the amount of capital tied up can be kept to a minimum. This not only means that builders can operate with a smaller amount of working capital but also that they are able to minimize the risk of overproduction. Housing that is not lived in will rapidly deteriorate both physically and, more importantly, in terms of value. Facing a volatile market that may well change between the decision to begin construction and the date of completion, producing in small batches allows builders reduce the risk of being left with a large number of unsold houses, which have cost them a considerable amount of capital to build.

Secondly, there has been little competitive pressure on builders to innovate. In general, industrial capitalists seek surplus profits through the continued revolution of the production process that raises the productivity of labour. An innovative capitalist, by introducing new techniques of production, will be able to lower costs and, by selling at the prevailing market price, will make larger profits than competing capitalists. However, seeing the surplus profits to be made from this new technique, other capitalists will soon adopt it. It will then become the new normal technique of production. With its generalisation, the new technique will lower the value and hence the market price of the commodity produced, and hence the surplus profits earned on adopting will be eroded. If the innovating capitalist is to maintain surplus profits a new innovation in production will have to be found. Hence there is

³ For a far more extensive analysis of this point, see *Housing Policy and Economic Power: The Political Economy of Owner Occupation*, by M. Ball.

a continued competitive drive to increase the productivity of labour in any particular capitalist industry.

However, for speculative builders this competitive drive is far weaker than it is for most other industrial capitalists. The profits on the actual construction of housing have usually been squeezed by the claims of bankers, landlords and housing professionals. Speculative builders have therefore relied far more on land speculation to make up their profits and it has been through land speculation that they have sought to make surplus profits. As a consequence, the success or failure of speculative builders has depended far more on their ability in wheeling and dealing in land, and their influence on the planning process, than it has on their efficient management of the construction of housing. Thus there has been little drive to innovate and the productivity of labour in the construction industry has lagged far behind that in most other industries.

As we shall now see, this problem of low productivity in the construction of housing, and hence the increasing relative cost of housing for the working class, has led to recurrent crises in the provision of housing in the last hundred years in Britain.

The History of Housing in Britain

Britain is marked out from much of the rest of Europe by its high rate of owner occupation. Around 70% of householders are owner-occupiers. Owner occupation is now regarded as the norm, if not the ideal, form of housing tenure by most of the population. Council or social housing is now seen very much as second best, being allotted to those unable to afford to buy their own home, while privately rented accommodation is usually seen as suitable only for the young, the poor and the marginalized.

Yet the dominance of owner occupation in Britain has not always been the case. Before World War I 90% of households lived in privately rented accommodation. The middle class were just as likely to rent as the working class; and the working class was just as likely to own their homes as the middle class. Class differences were expressed exclusively in terms of the quality, size and location of accommodation not in the form of tenure.

Following the crisis in the nineteenth century housing regime, which was brought to a head by the Glasgow rent strike in 1915, the private rented sector went in to decline. The private rented sector became squeezed between the growth of owner occupation on the one side and council housing on the other. Tenure now came to express clear class distinctions. Council housing came to be identified as the tenure of the working class; it was the tenure of collectivism and social democracy. In contrast owner occupation became identified as the tenure of the middle class, the tenure of individualism.

This regime of housing provision, which had dominated much of the twentieth century, went into crisis in the 1970s. The result of this crisis was the triumph of owner occupation. With the retreat of social democracy came the demise of council housing.

We can therefore identify three distinct housing regimes: the period of the dominance of the private rented sector before World War I. The regime from World War I to the 1970s, in which owner occupation competed for dominance with council housing, and the current housing period dominated by owner occupation. As we shall see, these housing regimes were closely associated with both the constitution of class and class struggles of each period. We shall begin with the situation before World War I.

Housing in the Nineteenth Century

The nineteenth century saw the rapid urbanisation of Britain. Between 1801 and 1911 the urban population grew almost tenfold. Already by 1850 more than half the population of Britain lived in towns or cities. By the eve of World War I four out of five of the population lived in urban areas. The driving force of this urbanisation was the emergence of industrial capitalism. The development of large-scale industrial production required the concentration of the workforce in new industrial towns and cities.

In the early stages of the industrial revolution the need to locate mills and factories in under-populated areas, in order to take advantage of water power or to be close to coal deposits, led many capitalists to see the provision of housing for their workforce as part of the necessary costs of setting up production. The provision of housing not only served to attract workers by providing them with somewhere to live but also offered the capitalist the advantages of combining the position of landlord with that of employer to wring out the last extra penny from his tenant-workers. However, the advantages of being an employer-landlord only remained so long as the capitalist was the principal local employer. Once the single-employer industrial village grew into a multi employer industrial town or city, and it became possible, and indeed necessary, for workers to switch employers, then it became far too troublesome for each capitalist to act as a landlord, particularly for other employers' workers. As a consequence, the provision of housing for the working class became, like that of the middle classes, the preserve of speculative builders.

Speculative builders would buy or lease land, build a few streets of houses and then sell them in small batches to local housing landlords. At that time, before the development of the stock exchange and modern financial institutions, there were few investment opportunities for those with small amounts of capital. Buying up a few houses and renting them out to respectable middle class tenants offered a very modest but secure return on the investment of small amounts of capital. Furthermore, as the town or city grew, the landlord could expect the price of his houses to rise, and he could expect to be able to raise his rents accordingly.

Renting to the working class was a different matter. Wages were so low that workers often could barely afford to eat let alone pay rent. However, if the landlord was ruthless enough to cram enough families as possible into his houses, cut back on repairs and maintenance and extract every penny that was due in rent, it was possible to make a handsome return on the capital invested in bricks and mortar. As a consequence, the working class in both London and the new industrial towns and cities were condemned to housing conditions, which even by the standards of the time, could only be described as appallingly overcrowded and insanitary.

At a time when there seemed to be an inexhaustible supply of labour that could be drawn in to industry from the countryside, the industrial capitalist was not particularly concerned with the reproduction of the working class. In the early stages of accumulation the overriding concern was to keep wages to a minimum in order to maximise the rate of exploitation and hence the rate of accumulation. However, the appalling housing conditions of the working class were not simply due to the ruthless pursuit of profit that pressed wages to a minimum, nor to the ruthless extraction of rent by the petit-bourgeois housing landlords. A further cause was the English landed system that both restricted the supply of land for house building and kept the price of land high.



Mid nineteenth-century view of basic sanitation

Industrial capitalism in Britain had emerged within the pre-existent political and economic structures of agrarian capitalism, which had been established in England (and South Scotland) since the end of the seventeenth century. Land was concentrated in large family estates of the aristocracy and the untitled landed gentry. These landowners rented their land to tenant farmers on short leases who then employed agricultural wage-labourers to produce agricultural commodities for the market. The customs and laws of primogeniture and entail ensured that these large landed estates were not broken up. Landed wealth was seen as belonging to the family estate not to any particular individual, who only had a 'life interest' in the family property, and the right of any individual landowner to dispose of land was severely restricted. As a consequence, through the customs and laws of primogeniture and entail, a class monopoly was maintained on land. The amount of land that could be sold was limited and this placed the landed owners who were able to sell or lease land to speculative builders in a strong bargaining position.

Land owners could not only demand high prices for their land they could also insist that land was sold as a leasehold. This would ensure a regular payment of 'ground rent' to the landowner that could be periodically reviewed as the price of land rose due to further urban development.⁴ Then at the end of lease (commonly ninety-nine years), the land together with all improvements, including any buildings built on it, would revert to the family estate of the landowner. Thus the landowner could not only demand a good price for his land, but also ensure a share in any increase in its price in the future.

⁴With the leasehold on the land being transferred with sale of the houses built by the speculative builder, it would be the housing landlord that would be responsible for the payment of the landowners ground rent on the lease. This would have to come out of the rent the landlord charged his tenants and any increase in his house rents would be in part offset by the upward revision of ground rent. Thus, in part, the gains the housing landlord could expect from future rises rents would end up in the pockets of the landowner.

As a result of this class monopoly in land, speculative builders sought to pass on the high price they had to pay for land in higher house prices, and by increasing the density of housing they built on the land they were able to obtain. As a result any amenities that might go with the building of houses, such as streets, parks and gardens, were reduced to a minimum.

By the middle of the century middle class reformers and philanthropists had become increasingly concerned at the state of working class housing. They saw working class slums as the breeding ground for discontent, social disorder and of diseases that knew no class distinctions. They called for public intervention by both the state and charitable bodies to improve the living conditions of the working class. As consequence, efforts were made to clear the worst of the slums. Building regulations were introduced. Public amenities were provided; such as parks, public baths and washrooms. Streets were paved and provided with lighting, and, perhaps most importantly of all, sewage systems were constructed.

At the same time, for those sections of the working class that were able to organise in trade unions, wages began to rise, particularly from the early 1860s. As a result, these sections of the working class were able to afford to pay higher rents and rise out of the slums, allowing them sufficient space and comfort to claim to be respectable members of bourgeois society, not so different from the middle class.

Growing economic prosperity generally combined with rising wages for the organised working class led to a boom in housing construction in the late 1860s and 1870s, which for a time helped alleviate the chronic housing shortage and ease the conditions of overcrowding, at least for the better off sections of the working class.

As consequence, the housing and living conditions in Britain's large towns and cities saw a distinct improvement during what has been known as the mid-Victorian boom. However, public intervention to improve the living conditions in the cities was left mainly to the local initiatives of charities and the municipal authorities. As a result, the provision of public amenities was always limited by the pockets of wealthy benefactors and the willingness of ratepayers to pay 'onerous' rates.⁵ While attempts to impose building regulations or to buy up and clear away slum housing always ran into concerns of the rights of private property.

Despite the improvements and reforms made from the middle of the century onwards, the majority of the working class, most of whom remained on low wages and in irregular employment, were condemned to live in damp, dilapidated and overcrowded accommodation. Indeed, if anything, in the three decades leading up to the First World War the housing conditions of the working class became worse.

⁵ The rates were a form of local property tax that was levied against an imputed 'rentable value of a property'. The rates for residential property were finally abolished in 1990 with the introduction of the short-lived Community Charge - better known as the Poll Tax. After the Poll Tax riots, it was replaced by the current Council Tax - which is a hybrid between a property tax and a poll tax.

As the productivity of labour in the construction industry lagged behind the rapid advances in other industries the relative costs of building steadily rose. At the same time, the barriers of land ownership continued to constrain urban expansion. As a result the decades leading up to World War I saw a continued shortage of housing, and steadily rising rents. Following the end of the building boom of the late 1860s and 1870s the building of new houses fell sharply and remained low until the 1890s. A short construction boom occurred at the turn of century but was soon cut short by a sharp rise in land prices. House building then fell back to levels even lower than those of the long depression of the 1880s.

Through most of the late Victorian era the general level of prices of the means of consumption fell. This was particularly the case for food, due to the worldwide depression in agriculture and improved transportation. During the same period money wages remained stable. However, the gains from falling prices were for the most part offset by rising rents. As rent became an increasing proportion of workers expenditure housing became a growing source of social tension at a time when the working class was becoming increasingly well organised. As the price of new houses rose, housing landlords put up the rents on all their houses, not just new ones. This led to conflicts either between workers and landlords over rents or else resulted in conflicts between capitalists and workers as the workers sought to gain higher wages to pay their rents.

Housing and the class monopoly in land

The Reform Act of 1832 and the repeal of the Corn Laws in 1846 can be seen as decisive victories of the emerging industrial bourgeoisie over the landed aristocracy. However, they can also be seen as timely concessions that served to preserve and prolong the political and economic dominance of landed wealth. Following the Reform Act of 1832, and the subsequent Corporations Act, the industrial bourgeoisie were allowed control of the local administration of their own industrial towns and cities, and gained increased influence at a national level, but national affairs remained firmly in the hands of the landed aristocracy.

In the short term, the repeal of the Corn Laws was a substantial economic blow against landed wealth. By lowering the price of corn, the repeal of the Corn Laws reduced the rents paid on corn producing land. However, the lower price of corn reduced the price of bread and allowed the industrial bourgeoisie to cut wages and raise their profits. Increased profits led to a faster accumulation of capital, which served to consolidate Britain's position as the 'workshop of the world', and led to what has become known as the mid-Victorian boom. During this boom landed wealth was able to prosper.

The economic growth of the towns led to an increase in demand for agricultural produce. British agriculture shifted production to those agricultural products that were not so easily imported, such as fresh meat, vegetables and milk. As a result rents on agricultural land grew. But not only this, the accumulation of industrial capital led to demand for minerals that lay beneath the land, particularly coal and iron ore, allowing landlords to charge increased royalties for their extraction. Also industrial accumulation led to an increase in demand for land for urban development and for the construction of railways. Thus in the longer term the repeal of the corn laws, by laying the foundations for the mid-Victorian boom, served to sustain the economic dominance of landed wealth.

In the 1870s the mid-Victorian boom ended as British industry began to face increased competition from Europe and the USA. At the same time there began a prolonged world depression in agriculture that depressed agricultural prices and hence land rents. The economic basis of the landed aristocracy began to be undermined. At the same time, the political dominance of the landed aristocracy began to face renewed opposition.

Throughout the nineteenth century middle class radicals had argued that the political and economic power of the landed aristocracy was ultimately a block to social and economic progress. From the time of Ricardo it had been argued that capital accumulation would lead to rising rents that would lead to falling industrial profits and eventual economic stagnation. With the end of the mid-Victorian boom, these concerns began to regain their former resonance. But added to such concerns of economic stagnation were fears resulting from the growing power and militancy of the working class.

Middle class radicals sought to unite the middle and working classes against the political and economic power of the landed aristocracy. Radicals argued that Britain's economic prosperity had been achieved by the hard work and enterprise of workers and capitalists. Yet, since growing prosperity led to rising rents, the landlords could cream off much of the fruits of increased wealth that was created by workers and capitalists. For them, rent merely represented an 'unearned increment' that fell to the landlords with little or no effort on their part. Through taxation, or even land nationalisation, middle class radicals proposed to appropriate for society as a whole this 'unearned increment' that resulted from urban and industrial development, and which up until then had been pocketed by the landlords. This 'unearned increment' it was then suggested could then be used to finance social reforms to alleviate the material conditions of the working class.⁶

Middle class radicals sought to direct the hostility of the working class away from the 'wealth creating capitalist' towards the landlord and the 'idle rich'. For these middle class radicals the main targets of anti-landlordism were the grouse shooting and fox hunting dukes and earls, with their country estates and their seats in the House of Lords. For the urban working class, as the radicals recognised in their political programmes, the more immediate target of anti-landlordism was also the petit-bourgeois housing landlord who sat back and grew rich on rising rents and skimping on repairs and maintenance. In addressing the housing problem the radicals rejected higher wages as a solution and instead recommended the compulsory purchase of slum housing and their replacement by subsidized municipal housing.

Anti-landlordism had an important influence on the emerging Labour Movement. Indeed, it may be said that the theories of Henry George, which used the political economy of Ricardo to argue for the taxation of rents and land nationalisation, had far more influence in the formation of the British Labour Movement in the 1880s and 1890s than did those of Marx.

However, despite the undermining of its economic position during the agricultural depression and the political challenge of radicalism, the political and economic dominance of landed wealth remained intact up until the First World War. The industrial revolution had been brought about by 'self-made

⁶ See for example, J. Chamberlain's 'Unauthorised Programme' produced for the 1885 election campaign. Republished as *The Radical Programme*, by J. Chamberlain and T.H.S. Escott, Havester Press, 1971.

men' drawn from the lower orders such as small tradesmen and artisans. Having hauled himself or herself up into the middle class this first generation of the industrial bourgeoisie bequeathed their accumulated wealth and family firms to their descendants. By the late-Victorian period the second and third generation of the industrial bourgeoisie were now beginning to break away from the middle class. They sought to ingratiate and assimilate themselves within the aristocratic establishment. They sent their sons to public school and Oxbridge, they married into titled families and bought up country estates. This assimilation of the industrial bourgeoisie brought with it an infusion of much needed new money into the landed aristocracy. It also led to a growing conservatism amongst the industrial bourgeoisie as they came to identify with the existing political and social order based on landed property. The industrial bourgeoisie were increasingly inclined to see an attack on landed property as an attack on all property and were suspicious of radical programmes, seeing them as being tantamount to socialism.

From the 1870s onwards the industrial bourgeoisie began to abandon the Liberal Party, which had once championed their interests, in favour of the Conservative Party. They saw jingoism and the gains of an aggressive imperialist policy a better route to containing the working class than that offered by anti-landlordism, which only served to whip up class antagonisms.

In the first half of the nineteenth century the industrial bourgeoisie had been obliged to fight against the political and economic dominance of the landed aristocracy and with the accumulation of industrial capital had succeeded in undermining it. Now, towards the end of the century, the industrial bourgeoisie ended up propping up the political and economic position of landed wealth. It was only with the increasing intensity of class struggle in the years leading up to the First World War, which saw the emergence of the British syndicalist movement and the use of the army to crush strikers, that the British ruling class began to look for the solutions offered by the Radicals. It was thus only with the 'New Liberal' programme of Lloyd George that any concerted attempt was made to press home the attack on the privileged

have laid the basis for the subsequent development of the welfare state, it was modest and fell far short of demands of many Radicals. Further attempts by Lloyd George to push through land taxation and land reform were either watered down or else abandoned after stiff opposition from both Liberals and Conservatives. Indeed, Lloyd George's reforms might have amounted to little more than a timely concession that would have served to prolong the political and economic dominance of the landed aristocracy for another generation if it had not been for the political and economic impact brought about by the First World War, which was to breach the old English Land System and, in doing so, transform the housing regime in Britain.

The Housing crisis of World War I

War intensified the housing crisis for the working class that had been building during the Edwardian period. Yet, at the same time, war increased the bargaining strength of the working class.

Workers were obliged to migrate to meet the needs of war production. As a result, those towns and cities that produced the materials of war saw a large influx of workers looking for accommodation, creating an acute shortage of housing. At the same time, although the trade unions had agreed to hold down wages as part of their contribution to the war effort, full employment meant that wages were more regular and workers could afford to pay higher rents. Taking advantage of the housing shortage and the ability of workers to pay higher rents, housing landlords forced up rents.

The extortionate rents demanded by housing landlords became the focus of wider concerns amongst the working class about war profiteering. Growing conflicts over rents and the housing shortage culminated with the citywide rent strike in Glasgow in 1915.⁷ With more than 20,000 tenants in the city on rent strike, and faced with the prospect of the rent strike leading to a general strike in Glasgow munitions factories, which would have severely handicapped the production of munitions vital for the war effort, the Government decided to defuse the situation. Overriding age-old objections concerning the rights of private property and freedom of contract, the



position of landed property.

In 1909 Lloyd George introduced his famous 'People's Budget' that increased taxes on the rich in order to finance old age pensions and other social reforms in an effort to head off growing working class discontent. When the House of Lords voted down the budget the Liberal Government forced through reforms limiting the Lords powers to obstruct legislation. However, although the 'People's Budget' established the precedent for redistributive taxation, and as such can be seen to

Government rushed through legislation introducing rent controls.

The introduction of rent controls in 1915 marked the beginning of the long-term decline in the private rented sector. With rents held down by legislation and with the subsequent legislation increasing the tenants' security of tenure, buying

⁷ See *Rent Strikes: Peoples' Struggle for Housing in West Scotland 1890-1916*, by J. Melling (1983).

houses to rent became increasingly unprofitable. The expansion of the private rented sector slowed down. As landlords cut back on the repairs and maintenance of the houses they still owned, the housing stock in the rented sector deteriorated. With the subsequent rapid growth of both council housing and owner occupation, the private rented sector, which had dominated the nineteenth century housing provision, was to steadily decline as a proportion of housing.

Council housing in the inter-war years

At the end of the war the then Prime Minister, Lloyd George, called a snap election. For the British ruling class times seemed perilous. It was only a year after the Russian Revolution. A wave of revolutionary upheavals was sweeping across Europe. While at home the shop stewards movement was threatening industrial peace. Even the most conservative members of the ruling class now saw the need for major concessions to the working class.

Lloyd George, at the head of the wartime coalition of the National Liberal and Conservative Party, promised wide-ranging social reforms. The centrepiece of such reforms was to deal with the housing crisis. Under the slogan 'Homes Fit For Heroes' Lloyd George promised to build 500,000 new affordable homes. In redeeming this pledge the Addison Act was passed in 1919. This Act provided government subsidies for the building of houses but perhaps more importantly it provided for generous open-ended subsidies for Council Housing.

As the threat of revolution receded and demands for restraints on public expenditure grew the rather ambitious house-building programme was cut back. Nevertheless, while less generous, subsidies for council housing continued through the inter-war years. Between the construction of the first municipal housing in 1869 and 1914 the proportion of households that were council tenants had grown to 2%. By 1939 10% of households were living in council housing.

Owner occupation and the development of suburbia.

Yet while inter-war years saw the emergence of council housing as a major form of tenure this was overshadowed by the great transformation brought about by the rise of owner occupation and the associated development of suburbia.

Before the First World War the main preconditions for the subsequent explosion of both suburbia and owner occupation were already in place. Firstly, the development of local road and rail networks had already made it possible for those who had regular and secure employment to live outside the urban areas and commute into work. Secondly, building societies, which had originally emerged as temporary and often rather speculative ventures beset by scandals, were becoming permanent and reputable institutions that could reliably provide housing finance to those on modest but regular incomes.

Yet, although the late-Victorian period had seen the drift of the middle classes away from the city centres, and the consequent beginnings of suburbia, this development had been restricted by both the shortage and high price of land. Only the more prosperous sections of the middle classes could afford to escape from the cities. The urban population remained hemmed in by the class monopoly of land.

As we noted, the 'Peoples Budget' of 1909 at the time had fallen far short of an all out assault on the landed wealth. However, the economic impact of the war and its aftermath was to amplify the budgets legacy. The war had led to the rapid inflation of both prices and wages. As a result the costs of

running the great landed estates had risen sharply by the end of the war. However, rents and revenues of the estates lagged behind. With the worldwide agricultural recession that set in after the war, it became difficult to raise agricultural rents sufficiently to recover the increased costs of running the estates. In these difficult economic circumstances the burden of increased income taxes and above all death duties, which had been introduced before the war, often proved to be the final straw. As a consequence, the inter-war years saw a revolution in land ownership. Many of great landed estates were broken up and sold off, mainly to their tenant farmers. Whereas before the First World War nearly 90% of agricultural land was rented, by 1939 this had fallen to little more than 40%.⁸

Facing low prices for agricultural commodities, those farmers that had bought out their tenancies, were often more than willing to sell on their land for urban development. The increased supply of land offered for sale led to a fall in land prices. It now became feasible for speculative builders to build cheap good quality low-density housing on the outskirts of towns and cities, which could be afforded even by those on modest but secure incomes.

However, if the builders were to realise the ample profits to be had from the new plentiful supplies of cheap building land they had to be sure of being able to make quick sales. They had to find people who were able to come up with the ready money to buy at least one house. As we have seen, in the past speculative builders would have expected to sell small batches of houses to prospective landlords drawn mainly from the petit-bourgeoisie. They would have looked to small businessmen, who had accumulated some spare capital or who were sufficiently respectable and creditworthy to borrow money from the bank or close business associates. But the development of capitalism was squeezing out these strata of the petit-bourgeoisie. The pool of such potential landlords was limited and diminishing. Furthermore, with rent controls, and the prospect of further legislation protecting the rights of tenants, even those who may have once considered buying to rent were now likely to see it as risky and troublesome investment. Given the potential rate of house construction that the new supplies of cheap land held, selling to the private rented sector was nowhere near sufficient.

Of course, the problem of selling the houses directly to prospective occupiers was that few individuals had the ready money to pay up front. Building societies were able to solve this problem by providing the necessary finance for individual households to buy their own homes. Individual households hoping to buy their own home would begin by joining a building society. They would make regular deposit savings in their building society account that would eventually provide for the 'deposit' on their new home. Such regular saving demonstrated to the building society the ability and willingness of the household make the future repayments that would have to be made on the mortgage. Once assured, the building society would then lend the household the extra money needed over and above the 'deposit' that had been saved up to buy their

⁸ The inter-wars years saw a breach in the class monopoly of land but it did not destroy it altogether. The revival of agriculture after the Second World War, aided by generous subsidies particularly after Britain joined the European Common Agricultural Policy in the 1970s, came to the rescue of many of the landed estates that had managed to survive. As the recent land campaign launched by the *New Statesman* has highlighted, ownership of land is still highly concentrated in Britain and still serves to place limits on the expansion of housing, although not to the same degree as it did in the nineteenth century. For what is now a little dated analysis of landed property in Britain see *Capital and Land* by D. Massey and A. Catalano.

home, the house acting as security for the building society in case of non-repayment of the mortgage. The inflow of savings of those intending to buy in the future, combined with the repayments of mortgages taken out to buy houses in the past, served to fund the mortgages advanced to buy houses in the present. Building societies were thereby able to ensure that the money used to finance owner occupation was recycled to allow the further expansion of this housing sector.

But not only this, as they established themselves as reputable institutions building societies were able to attract savings from those amongst the middle and working classes who did not intend to buy their own home or who had already done so. Indeed, for the middle and working classes a building society account became one of the main ways of saving small amounts of money. As a consequence, building societies were able to channel the small personal savings into the financing of the expansion of home ownership.

However, building societies were not merely financial institutions that facilitated home ownership. They saw themselves as a popular movement. From the mid-nineteenth century building societies had become closely associated with middle class Non-conformist radicalism. Armed with the Victorian middle class virtues of self-help, prudence and thrift the building society movement saw itself as a means for the people to reappropriate land from the aristocracy. They presented themselves as a pacific alternative to those radicals who proposed to use the state to forcibly expropriate landed wealth through nationalisation or taxation. But of course, the building society movement had always been hindered by the fact that landed wealth was not prepared to give up its monopoly of land voluntarily. Yet once the barriers of landed property was breached after the Great War the building society movement led the charge. The urban population that had for so long been hemmed up in the towns and cities could now spew forth into the surrounding countryside. By the 1930s the advocates of the building society movement were able to proclaim they had brought about a 'silent revolution' in property ownership.

At the beginnings of the owner-occupation boom, home ownership was promoted as a return to the countryside; a return to the rural idyll, so popular amongst nineteenth century middle class radicals, of the proud and independent English Yeoman of the time of Shakespeare, before the appropriation of the land by the aristocracy and landed gentry. An appeal reflected in the prevalent mock Tudor housing styles of the 1920s. With the reappropriation of land by the people, every Englishman's home would now be his castle, and every Englishman would have his own landed estate - even if it was only a small garden. But the new homeowners in their semidetached 'cottages' were not yeoman farmers, but commuters who worked in the cities. The exodus from the town centres did not recreate the rural idyll of a romanticised sixteenth century but instead created the vast swathes of suburbia that still surround Britain's towns and cities.

Suburbia and the consolidation of the lower middle class

In the decades leading up to the First World War there had been a steady growth in the numbers of white-collar workers as administrative and clerical work expanded with the growth of finance and the public sector. White-collar workers were in an ambiguous social situation. They had nothing to sell but their labour-power - they were waged workers. Their wages were often not much higher than many skilled manual workers, and often less in the early stages of their careers, and their work

was usually repetitive and routine. Yet, at a time when, despite mechanisation, most immediately productive work still required physical labour, they were distinguished from the bulk of the working class by their mental labour. They were also paid in accordance with seniority rather than output, and while their pay was not high it was usually secure compared with most blue-collar workers.

White-collar workers, like the middle class, distinguished themselves from the working class on the basis of their superior education and their upholding of the middle class virtues of individual self-help, prudence and thrift. As such, along with lower salaried professionals (such as teachers) and technicians, white-collar workers had become recognised as part of the lower middle class.

However, with the development of universal state education, and the consequent growth of numeracy and literacy in the population as a whole, the position of white-collar workers was by the First World War being steadily undermined. White collar workers began to identify themselves with the working class and in the early 1920s leading Tory politicians began to fear that the 'lower middle classes were 'going over to Labour' on mass.

Yet, as the boom in owner occupation proceeded in the inter-war years it was the lower middle classes that increasingly became the main source of expansion. Although the salaries of the lower middle class were modest they were above all secure and were likely to rise with age. As such the building societies could be reasonably assured that the lower middle class would be willing and able to keep up their mortgage repayments. Home ownership provided the material conditions for the reintegration of white-collar workers into the lower middle classes.

In the early 1920s Conservative Party politicians had been lukewarm towards home ownership. After all the Tory Party had always been the party of Anglicanism and landed wealth and the building society movement's close association with Liberalism and Non-conformist radicalism could only serve to raise suspicions regarding owner occupation. At that time, most Conservative politicians while accepting the need to provide public housing, had favoured a return to a housing regime denominated by the privately rented sector and had concentrated on attempts to roll back the rent controls conceded during the Great War. However, by the 1930s the Conservative Party had come to embrace home ownership. Middle class suburbia was to provide the electoral basis for the dominance of the Tories that was to last for the rest of the twentieth century.

Housing post-World War II

The pattern of housing provision in the two decades after the Second World War was broadly similar to that which had occurred in the inter-war years. The immediate post-war period saw a burst in the construction of council housing as the State sought to rapidly resolve an acute housing crisis caused by the war, and which threatened an intensification of class conflict. This was then followed in the late 1950s and 1960s by a further expansion of owner occupation. However, in contrast to the inter-war years, the expansion of council housing was far greater and more sustained than it had been in the wake of the First World War, while the subsequent boom in the construction of housing for owner occupation fell far short of what had occurred in the inter-war years. Indeed, much of the expansion in owner occupation in the 1950s and 1960s was the

result of conversions from the private rented sector, which now went into an absolute decline.

As we have seen, unlike the decade leading up to the First World War, the 1930s had been a period of unprecedented housing construction. However, the mass bombing of the Second World War had destroyed substantial amounts of the housing stock, particularly in London and the main industrial cities. With the demobilisation of the armed forces at the end of the war an acute housing shortage began to arise.

With the end of the war in Europe thousands of soldiers, sailors and airmen returned home to find that there was no where to live. The first reaction was the mass occupation of army encampments. The squatting movement then moved on to take over empty houses in London and other towns and cities. At the height of the movement it was estimated that there were more than 35,000 squatters.

Council housing

As a result of the post war squatting movement, housing was pushed up the political agenda and became a central element in the establishment of the post-war settlement. The post-war Labour Government launched a massive programme of council house construction, which was to dwarf the 'homes fit for heroes' of twenty years before. Although the immediate programme of council house construction was scaled back due to the austerity measures brought about by the dollar shortage in 1947, it remained at high levels throughout the 1950s and 1960s. Indeed, in the 1950s the two major parties sought to outbid each other in promising the construction of more homes. Since the construction of council housing was the only means of ensuring such promises were realised, even the Tories were obliged to maintain relatively high levels of council house building. As a result, by 1970 more than a third of all householders were council tenants.

It may be said that the post-war expansion of council housing merely realised the proposed solution for the problem of working class housing that had been put forward by middle class radicals sixty years before, and which had been only partly implemented after World War I by Lloyd George's 'homes fit for heroes' policy. The expansion of council housing not only resolved the post-war housing crisis, which threatened to stir up working class discontent at a time when the spectre of Stalinism haunted the bourgeoisie across Europe, it also eased the transition to the high wage-mass consumption economy of the post-war era. During a period of near full employment, which strengthened the bargaining position of even traditionally low paid workers, subsidised housing costs alleviated upward pressure on wage rates.

Having said this, the expansion of council housing undoubtedly marked a substantial material gain for the working class. Furthermore, without the political mobilisation of the working class, and its representation in the State through the Labour Party at both a national and local level, it is unlikely that the expansion of council housing would have been sustained on such a scale as it was during the post-war era. Alongside the National Health Service, the extension of free education and the welfare system, and the commitment to full employment, the expansion of council housing represented a major concession wrung out of the bourgeoisie by the post-war settlement, and was duly recognised as one of the crowning achievements of Atlee's first majority Labour Government.

Yet, like the other concessions won in the post-war settlement of 1945, the expansion of council housing ultimately led to the political demobilisation of the working class and the

hollowing out of social democracy. The removal of bad housing not only removed what had been an important mobilising issue of working class discontent in the inter-war years, it also served as a means to break up old working class communities. Many of the old working class communities of the inner city areas, which had grown up over several generations, had been marked by a high degree of proletarian solidarity and vigorous street politics, which had provided much of the basis for the advance of the labour movement in the first half of the twentieth century. With the 'slum clearance' programmes these old working class communities were systematically swept away.

It is true that in the new council estates the working class experienced common housing conditions and as such were far more likely to act collectively to address them than those amongst the working class who were to become owner-occupiers. But they no longer confronted private landlords driven to extract higher rents and cut maintenance and repairs by fair means or foul. Instead the landlords they now confronted were 'democratically accountable' local councils. Usually the best way of maintaining low rents, high standards of repair and maintenance and the expansion of housing to meet the housing needs of their sons and daughters was not by direct action but simply to vote Labour. To the extent that the Conservative councillors came to accept the need for subsidised council housing, and were prepared to leave the issue of housing to the managerialism of council officials adhering to the post war consensus, even voting Labour was not strictly necessary, particularly in more wealthy areas where the demand for council housing was less and the 'burden on the rates' of rent subsidies could be spread across more well-off rate payers.

Council estates, particularly in the old industrial towns and cities of the North, became the heartlands of the core Labour vote. Council housing became one of the most important material bases for the consolidation of the social democratic representation of the working class in the State.

The renewed expansion of owner occupation

Even before the Second World War had brought it to a complete standstill, the inter-war expansion in owner occupation had begun to run out of steam, as it exhausted the numbers of households who had sufficiently high and secure incomes to obtain a mortgage. However, after the war, and the subsequent period of post-war austerity, conditions emerged for the further expansion of owner occupation.

Firstly, particularly with the growth in the public sector, the post-war period saw a rapid expansion in the numbers of white-collar workers and professionals on secure salaries. Secondly, full employment not only meant that workers could extract rising wages, it also meant that prolonged periods of unemployment were far less of a risk. As a consequence, building societies could now lend to increasing sections of the traditional manual working class. Thirdly, Keynesian policies of post-war governments restricted the autonomy of financial capital and kept interest rates low, allowing building societies to maintain cheap mortgages. Fourthly, from the late 1950s, the government began to promote home ownership through generous tax concessions.⁹ As a result, after the end of rationing in 1955, the expansion of owner occupation began to

⁹ Up until the 1960s homeowners were taxed on the notional rental income they could receive if they rented out their house. This was abolished in 1963 and tax relief was introduced on the interest paid on mortgages.

gather pace. By 1970 more than half of all householders were owner-occupiers.

The ideological and political implications of owner occupation had been well understood by the propagandists of the building society in the inter-war years. As Bellman, a former building society president wrote:

The man who has something to protect and improve - a stake of some sort in this country - naturally turns his thoughts in the direction of sane, ordered and perforce economical government. The thrifty man is seldom or never an extremist agitator. To him revolution is anathema; and as in the earliest days, building societies acted as a stabilising force, so today they stand, in the words of the RT. Hon. Barnes as a bulwark against Bolshevism and all that Bolshevism stands for.

However, whereas in the inter-war years the expansion of owner occupation had served to forestall the proletarianisation of the lower middle classes, a stake in the country was in the post-war era also being offered to increasing numbers of what had been the traditional working class.

Yet, it was not only that owner-occupiers were property owners that had important ideological implications, but also the fact that owner occupation individualised the homeowner. The economic position of each home owning household with regard to housing was different. It depended crucially on when they had bought their house. With rising house prices, the housing costs of a first time buyer who had just taken out a mortgage would be very different from that of a neighbouring home-owning household who had all but paid-off their mortgage.

All that united owner-occupiers were common fears as to what might possibly 'lower the value of their properties' and their common status as 'rate payers'. These commonalities were seized upon both by the Tories and the owner occupation lobby, inscribing a political division within the working class along tenure lines.

With the delivery of health, education and welfare all either centrally controlled or else largely circumscribed by national regulations, housing was the main policy area in which local authorities had a large degree of discretion. As a consequence, for the local grass roots Labour activist the expansion and improvement of council housing was one of the principal areas where they could make a difference and advance the condition of the working class. But, with the regressive character of local rates, the costs of such expansion and improvement of council housing, as the Tories and the owner occupation lobby were keen to point out, fell disproportionately on the increasing numbers of working class 'rate payers'. This as we shall see contributed to what was to become an increasing crisis of council housing, which highlighted the limits of British social democracy.

However, while the empetit-bourgeoisment of owner occupation undoubtedly had an important ideological and political impact in limiting the advance of social democracy, it should perhaps not be overstated. Owner occupation, particularly in a period of low inflation like that of the 1950s and 1960s, can easily be seen as a mill-stone for those whose incomes are unlikely to rise much over their working lives. Indeed, for many of the working class homeowners, the need to pay off a mortgage was little different from having to pay rent. Indeed, with the onset of the crisis in council housing and the

decline in the private rented sector, owner-occupation was far from being the choice it was often presented to be by the owner-occupation lobby; it was the only option.

The housing crisis of the 1970s

The crisis in council housing

For the left and social planners in the 1940s, council housing had seemed to offer the ideal form of housing provision, if not for the population as a whole, at least for the working class. Although in many town centres the high cost of land and the urgency of the housing shortage had required the construction of high density blocks of council flats, the semi-detached house, built to high construction standards and with its own garden, typified the council housing of the immediate post-war period, and presented a vision for the future of housing in general. But the vision of high quality public housing expanding to meet the needs of the vast majority of the population soon ran into hard economic reality. High quality housing was expensive. As council housing expanded so did government spending on subsidies that were necessary to make them affordable to low-income households. With full employment and rising wages, low productivity growth in the building industry led to rising construction costs, further exacerbating the burden on central and local government funds.

The response to the rising burden on the public purse of council housing was firstly to reduce the construction standards of new housing. Secondly, there was a shift away from building low-density council houses to the construction of higher density council flats. Thirdly, the expansion of council housing was targeted towards the needs of urban regeneration schemes.

The 1960s saw the beginnings of the transformation of Britain's urban centres. Over next two decades the old, predominantly Victorian, town centres were to be torn down and replaced by highly profitable shopping centres and office blocks, replete with ring roads and multi-storey car parks. However, for such urban regeneration to take place the first step was the rehousing of the largely working class populations that still lived in the old city centres. This required the continued expansion of council housing. In order to contain the costs of these major rehousing programmes, local and national government readily adopted a strategy of high-density high rise building, which was being vigorously promoted by large-scale construction firms and modernist architects. It was hoped that modern building techniques would contain building costs, while the high densities allowed by high rise housing would reduce the amount of land required by the rehousing programmes, thereby saving land costs. As a consequence, the 1960s became the decade of the high-rise blocks of flats, which sprang up across Britain's towns and cities.

However, it was not long before the adoption of the high-rise strategy proved to be a monumental economic and social disaster. The new, and often untried, building techniques failed to contain the rise in construction costs. Instead, to remain within budget and under pressure from property developers pressing for an early start to the urban regeneration schemes, local authorities sanctioned crude cost cutting. The vertical communities, replete with communal facilities, which had been envisaged by the modernist architects of the 1950s, were reduced to little more than vertical dormitories. Cutting corners led to shoddy construction. In 1967 the high-rise boom was brought to a sudden halt by the collapse of the Ronan Point tower block, which killed four people.

Many urban councils now found themselves saddled with huge debts and with new housing that was condemned as uninhabitable or else, being shoddily built, required unexpectedly high levels of repair and maintenance. In order to cut back on their housing budget, councils were obliged to reduce the construction of new housing. Given that much of council housing construction since the 1950s had been targeted at urban regeneration schemes, and as such simply replaced old housing stock with new, the expansion of council housing had barely kept pace with the growing needs for cheap and affordable public housing. As a consequence, the fall-off in construction by local authorities from the late 1960s soon led to a severe shortage of council housing. The waiting lists for public housing grew and the bureaucratic allocation of such housing became increasingly irksome for those waiting. At the same time, strapped for cash, particularly with the onset of the economic crisis of the 1970s, Local Councils were led to cut back in repairs and maintenance. Council tenants had now to wait longer for repairs to be done and postponed maintenance led to the deterioration of the council's housing stocks. Many of the bright new housing estates, that had replaced the old Victorian slums, soon became the sink estates that still exist today.

The election of a Conservative government in 1970 saw the beginnings of a decisive shift away from meeting the housing costs of the working class through rent subsidies to that of direct payments. With the policy of 'fair rents' local councils were obliged to charge rents closer to market levels. Those tenants who could not afford to pay such rents would have their income increased by means tested social security payments by national government and by rent rebates administered by the local authorities.

Facing increasing difficulties in even obtaining it in the first place, higher rents and problems ensuring even the simplest of repairs when they had it, working class tenants could no longer consider council housing as the part of the New Jerusalem to be built in England's green and pleasant land as it had been a generation before. Council housing increasingly was seen as a form of second-class housing. But the housing crisis was not merely confined to council housing.

The crisis in owner occupation

The 'Fair Rents' policy had, in part, been introduced as a result of pressure from the owner occupation lobby. By the late 1960s the expansion of owner occupation was beginning to run out of steam as both the rising building costs and prices of land made it increasingly difficult to attract the less well-paid sections of the working class into home ownership. However, with the onset of economic crisis in the 1970s, the Tory policy of making council housing less attractive through higher rents proved to be insufficient to counter the slow down in the expansion of home ownership, at least in the immediate term.

Falling profitability in manufacturing, inflation and rising unemployment all served to undermine the expansion of home ownership. As profits fell in manufacturing and inflation accelerated, money capital began to flood into land and property speculation forcing up the price of land. At the same time the end of the post-war era of full employment began to undermine the job security necessary for repayment of mortgages. As a result, despite above-inflation rises in house prices, the construction of new homes to buy fell sharply in the 1970s.

The upward pressures on house prices was further exacerbated by financial deregulation that inaugurated an era of

house price bubbles that have become a standard feature of the housing market over the last thirty years.

The housing market is susceptible to price bubbles. This is due to two inherent factors in the selling of houses. Firstly, in the short term the supply of housing is fixed by the existing housing stock and it takes a considerable time for supply to respond, if at all, to rising demand. As a result, at least in the short term, the market price of housing is determined by the effective demand for housing i.e. the demand backed up by money. Secondly, this effective demand for housing is not determined by what buyers can pay immediately out of their wages, or other income, but by the amount they can borrow. This in turn depends on the ability and willingness of mortgage lenders to advance mortgages to potential house buyers.

To the extent that the mortgage lender seeks to maximise its profits, it will be eager to advance mortgages since with each mortgage it will make a profit out of the interest repayments. However, this eagerness to advance mortgages must be tempered by the risk that borrowers may default on their repayments. As a consequence, during a time of static house prices, any mortgage lender, even if they have the funds, will be reluctant to advance 100% mortgages. If the borrower were to default on the mortgage repayments, and the mortgage lender was obliged to repossess the house, the mortgage lender would be unable to recover its full price of the house and hence the loan advanced. Firstly, the repossession and subsequent sale of the house is costly in terms of legal fees and conveyance commissions and administration costs. Secondly, and perhaps more significantly, the mortgage lender would usually have to sell the house quickly. A house not lived in soon deteriorates and will lose its exchange-value unless kept in constant repair. But in order to gain a quick sale the mortgage lender will be obliged to sell at a discount.

Thus the repossession price of a house for the mortgage lender will be less than the market price paid by the homebuyer. Consequently, the moneylender will not lend the full market price of a house and will insist that the buyer pay a 'deposit' to make up the difference. The proportion of the market price covered by the mortgage will then lie between the market price and the repossession price and will depend on the mortgage lender's calculation of the risk of default both generally and for each individual case.

The need, particularly for first time homebuyers, to 'save up for a deposit' acts as a brake on rising house prices. Homebuyers cannot simply borrow the current market price and then add money out of their own income to outbid each other. They also have to save up out of their current income money to put towards the deposit. However, if market prices of houses begin to rise then the repossession price will begin to rise and the amount of money the mortgage lenders are prepared to lend rises. This increase in mortgage lending then serves to increase the effective demand for houses allowing a further increase in market prices. As a consequence, the market price of housing begins to spiral upwards.

But not only this, the rise in market prices reduces the costs of any default to the mortgage lender. What is important to the mortgage lender is the repossession price at the time of default. If market prices are rising fast then, on average, the repossession price at the time of default may well be equal or even greater than the original market price paid for the house. In such circumstances, mortgage lenders may well be prepared to lend the entire market price of house knowing that by the time of any default the repossession price will more than cover the outstanding mortgage debt.

Hence, rising market prices for houses leads to easier credit that then gives a further twist to spiralling house prices. The ultimate limit to the house bubble is the ability of homebuyers to meet their mortgage repayments. Yet this limit is rather elastic. Faced with the prospect of prices accelerating beyond their means homebuyers will seek to stretch themselves to the limit to get on the property ladder while they still can. With mortgage lenders falling over themselves to advance virtually risk free mortgages the guidelines applied to access affordability of mortgages become stretched to the limit.

However, up to the 1970s financial regulation had restricted mortgage lending to building societies and, to a lesser extent, local authorities. The ability of building societies to advance mortgages was limited by their ability to attract the small personal savings. With a limited pool of savings at their disposal, building societies lacked the funds to finance spiralling house prices. Indeed, in the face of an increased demand for mortgages, building societies were obliged to ration the funds at their disposal by restricting mortgage advances and insisting on larger deposits. A policy that fitted in with their traditional ideology of prudence and mutual self-help.

However, the financial deregulation of 1970 allowed the big clearing banks to enter the market for mortgage lending. With access to the world's capital markets the big banks effectively had unlimited access to funds to advance as mortgages. Unrestrained by the mutualist ideology of the building societies, the banks lent aggressively. By the mid-1970s more than half of all mortgages were being lent by banks. Faced with the competition of banks, building societies were obliged to abandon much of their mutualist ideology and take advantage of financial deregulation to become more like banks themselves.¹⁰

Rising construction costs and financial deregulation meant that first time buyers were being priced out of the housing market. But in addition, the general acceleration in price inflation in the 1970s brought with it higher interest rates. Since in the early years of the repayment of a mortgage much of the repayments go towards paying off the interest on the outstanding debt, high interest rates tend to lead to a 'front loading' of mortgages, placing a further barrier to first time buyers. As a consequence, even relatively well-off first time buyers faced repayments approaching half their income after tax in the first few years of their mortgage.

Yet with a declining private rented sector and lengthening waiting lists for council housing there was often little alternative but to buy. The only solution for most young working class and lower middle class families was to accept a decline in housing conditions compared with what their parents had tolerated, at least for a few years. This occurred in three ways.

The first option was to buy a cheaper but more cramped flat, rather than a house as their parents might have done. As a result, the 1970s saw the large-scale conversion of large Victorian houses into small flats.

The second option was to buy an old and run down house and do it up, taking advantage of government improvement grants to pay for the materials. This meant spending most of the spare time working on the house and living in a virtual building site for perhaps a year or more.



The third option was to buy a 'Starter home'. 'Starter homes', which began to make their appearance as a response to the housing crisis by the construction industry in the late 1970s, were cheap, shoddily built, small housing. Built on inadequate foundations, with paper thin walls, 'starter homes', often had bedrooms that could barely fit a double bed and living rooms that were only big enough for a couple of armchairs. But 'starter homes' were relatively cheap, allowing first time buyers a chance to obtain a 'foot on the property ladder'.

The squatting movement

As we have seen, the 1970s saw a sharp fall in the construction of housing both in the private and public sectors, which resulted in rising house prices that priced first-time buyers out of owner occupation. This occurred just at the time when the post-war baby boomers were coming of age, leading to an acute housing shortage and rising homelessness. As a result, housing became a major political issue throughout the decade.

At a time of falling profits and rising inflation, capital began to flood into property speculation. Residential areas, particularly in London, were bought up to be knocked down and be replaced by office blocks, which now offered escalating returns on investment. In 1974, shortly after the property bubble burst leaving large numbers of empty office blocks, Centre Point, one of the brand new but empty office blocks in the centre of London, was squatted to highlight how property developers were exacerbating the housing crisis. However, what started as a political stunt soon became a movement. When the property bubble burst, streets of houses that had been bought with the intention of being cleared away for office development were left empty. At the same time, economic crisis was leading to cutbacks in the maintenance and repair budgets of local authorities. This led to many council flats and houses also being left empty, as there was now insufficient public funds for their renovation.

With thousands of empty flats and houses, squatting became a preferred option for many of the growing numbers of young unemployed. Buying meant finding, and then knuckling down, to a well-paid secure job, while council housing was in short supply and was directed mainly towards the needs of the working class family with children. Often the only alternative to squatting was a dilapidated bedsit in the private rent sector.

At its height, in the early 1980s, there were an estimated 30,000 squatters in London alone. Squatting offered the space and freedom to develop 'alternative lifestyles' based on the

¹⁰ Eventually, taking advantage of legislation introduced in the 1980s, most building societies abandoned their legal status as mutual friendly societies and turned themselves into banks.

refusal of work. Squatting communities emerged that sought to overcome the atomisation of bourgeois society through the organisation of self-organised communal facilities; such as cafés, crèches and community centres. As such, the squatting movement can be seen as a practical critique of social democracy and the post-war settlement. The material gains of secure good quality housing provided via the state in return for the acceptance of wage-labour was rejected in favour of the direct appropriation of housing and the social environment.

However, the squatting movement failed to provide a serious challenge to the existing order. Unlike in many other countries on the continent, in Britain squatting was not a criminal offence and, as a consequence, there was less need for organised resistance to evictions and set piece battles with the police. Indeed, it can be argued that the authorities came to tolerate squatting as a temporary solution to the housing crisis. The squatting movement remained largely isolated both from workplace struggles and the wider working class and was unable to provide a viable solution to the housing crisis. Squatting was not only time consuming and required the rejection of modern conveniences but was also only feasible in areas where there were sufficient numbers of empty properties. Outside London, squatting rarely was able to reach a critical mass that meant that the courts were swamped by repossession orders and where the bailiffs could expect to meet stiff collective resistance to evictions. Whereas in London squats could last years, in most other towns and cities squats were lucky to last more than a few weeks before eviction.

The Thatcher and present era of housing

The new housing regime

Thatcher and the demise of council housing

Thatcher recognised that council housing had become the Achilles heel of social democracy. One of the leading issues of the Conservative election campaign in 1979 that brought Thatcher to power was the sale of council houses. With the carrot of generous discounts for long standing council tenants and the stick of a full transition to market rents for all public housing, the 1980s saw the large scale sell-off of the better part of the municipal housing stock. Strict regulations imposed on local councils meant that the money gained from council house sales had to be used to pay off local council debt and made it difficult for local authorities to build more housing. Instead, more money was provided for housing associations to build more 'social' housing but this was far from being sufficient to replace the loss of council housing. As a consequence, in the last twenty years the proportion of households that are council tenants has almost halved. Local authorities have been left with housing that no one wants to buy.

For those unable to afford to buy or pay market rents, Thatcher introduced housing benefit, which was paid out of central government funds but administered by local authorities. This shift from subsidizing 'bricks and mortar' to paying means-tested benefits to individuals on low incomes to meet their housing needs had the advantage that such benefits could be targeted.

However, because housing benefit was open to everyone on low incomes who rented their homes, including politically sensitive groups such as old age pensioners, it was difficult to restrict payments. In a situation of a chronic shortage of rented accommodation, and where a large proportion of tenants were on low incomes, private landlords found that they could raise rents and the state would pay. As a result, housing benefit

became a generous subsidy for private landlords.¹¹ Housing benefit became by far the largest item in the welfare budget, and despite repeated attempts to restrict payments, has proved the most difficult for successive governments to 'reform'.

The effect of subsidising landlords was far from being an unintended result of the introduction of housing benefit. The Conservative government had hoped that funding rising rents, together with the abolition of most remaining rent controls and a reduction in tenants rights, would stimulate a revival in the private rented sector that would promote labour mobility in a period of mass unemployment and help offset the decline in council housing. However, although such measures helped to arrest the long-term decline in the private rented sector it did little to expand it. The landlords have simply pocketed the increased rents.

Thatcher's housing policy served to consolidate the new housing regime that emerged after the crisis of the 1970s. Owner occupation was established as the normal, if not the ideal form of tenure to which everyone was expected to aspire. Council housing and privately rented housing was reduced to being very much second best for those unable to join the property owning democracy. Yet, while Conservative housing policies succeeded in diffusing housing as a political issue, they had far from resolved the underlying problems of housing that had come to the fore in the housing crisis of the 1970s. Indeed, they had made them worse.

There was no revival in the construction of new houses in the private sector to offset the decline in the construction of new council housing. At the same time, after peaking in the early 1980s, the various home improvement grants offered by central government to councils, private landlords and homeowners to rehabilitate housing were steadily cut back. As a result Britain continues to have an aging housing stock that is increasingly in a bad state of repair. In 1996 7.5 % of the total housing stock, and 25% of the private rented housing, was considered as unfit for human habitation. Nearly one and half million homes are considered to be in a serious state of disrepair.

The Conservatives not only presided over a continued deterioration of housing conditions but also to rising homelessness. Under Thatcher, for the first time in more than a generation, it became common in most towns and cities to see homeless people begging in the street. With the sell-off of council housing and growing unemployment homelessness increased reaching a peak in the early 1990s. In 1980 there had been around 62,000 homeless families registered by local authorities, by 1990 this had more than doubled to 137,000. By 1996 this had fallen back as unemployment began to fall.¹²

Yet, perhaps rather ironically given her commitment to fighting inflation, Thatcher was able to both diffuse housing as a political issue and establish the dominance of owner occupation because of the transformation of the prospects of home ownership that had been brought into being by the high inflation of the 1970s.

Snakes, ladders and escalators

The housing professionals, who of course profit from the frequent buying and selling of houses, and the owner

¹¹ For the unemployed, who had the time both to queue up in the over stretched housing benefit offices and to fill out the arduous all-encompassing forms, housing benefit often proved far more generous and flexible than the old housing allowances administered through the Department of Social Security.

¹² See *Housing Policy*, 4th Edition. P. Balchin and M. Rhoden. (2002)

occupation lobby in general, have long promoted the idea of the 'property ladder'. The idea of the 'property ladder' closely reflected the ideal middle class career path and life cycle. Unlike the 'feckless working class', the middle class were expected to put off marriage until they had saved up enough to put a 'deposit down' on a house.¹³ As the middle class household ascended the career ladder and increased their income, they would be able to 'trade up' by buying a large and better house to accommodate their growing family and reflect their enhanced social status. Then, after their children had left home they would be able to trade down to a cheaper house, obtaining as a result a 'nest egg' to provide for a comfortable retirement.

Of course, up until the 1970s many owner-occupiers could not expect to go beyond the first couple of rungs of the property ladder. The promotion prospects for most lower middle class owner occupiers was limited, while many manual workers would be fortunate not to see their wages decline in the latter years of their working life. However, in the high inflation era of the late twentieth century all this was changed.

As we have seen, high interest rates and rising house prices had led to many first time buyers in the 1970s having to pay out almost half their income in mortgage repayments. However, those who were able to stick it out were to be well rewarded. Rapid price and wage inflation in the 1970s meant that mortgage debt was rapidly eroded. By the early 1980s, even for a household whose wages had only managed to keep pace with the general rise in the level of wages, the repayments on a mortgage taken out ten years before would have fallen to less than 10% of their income. At the same time the house or flat they had bought would have quintupled in price. Those first time buyers who had managed to put up with an old dilapidated house, a small flat or a 'starter home' for a few years, were now in a position to sell their first home, take out a larger mortgage and buy a larger home.

As a consequence, with the high inflation era that began in the 1970s, the 'property ladder' had become a 'property escalator'. Even those households whose income would do well to keep pace with the general rise in the level of wages, could now expect to see the value of their home rise and their mortgage payments fall as a proportion of their income, allowing them to 'trade up' to better housing as they became older, and eventually gain a nest-egg for their retirement when they came to trade down.

The property escalator has brought about a continuous transfer of wealth, not only from the young homeowner to the old homeowner, but also from non-homeowners to homeowners. Indeed, the property escalator has widened the gap between the home-owning majority and the renting minority that cuts across the working class. For tenants, whether in the public or the private sector, rents remain a high proportion of their income. Most tenants, being on below average incomes, are entitled to claim some means-tested housing benefit in order to pay high rents. Yet the high withdrawal rate of housing benefit means that for every extra pound earned sixty pence is lost from withdrawn benefit. As a result housing benefit contributes to the 'poverty trap' that leaves tenants stuck in the same place and the same conditions

with little prospect of escape - in stark contrast to owner occupiers who can expect to rise in wealth and fortune on the 'property escalator'.

To avoid being left behind it has become imperative to obtain a foothold on the 'property escalator'. For the young working class, who were once often the most militant section of the class, the sensible course has become to knuckle down, and to work hard in order to become homeowners. Indeed, in the last three decades owner occupation has proved a far more assured way of improving one's standard of living than collective action, particularly since the defeat of the labour movement in the 1980s.

The 'property escalator' has become a conveyor belt into individualistic middle class values leading to the petit-bourgeoisment of the working class and countering the tendencies towards the proletarianisation of the lower middle class. A house is now not so much a home as a 'property', an 'appreciating capital asset' whose exchange-value must be protected and enhanced. Hence the obsession with home improvements', DIY, and interior design, which is not so much to make a better home but to enhance its exchange-value.

As a consequence, the 'property escalator' has provided one of the most important material conditions underlying the electoral success of first Thatcher, and then Blair, and the consequent advance of neo-liberal ideology in the past two decades.

In pursuing her policies to promote the restructuring of British capitalism in the 1980s, Thatcher had been careful not to launch a wholesale attack on the working class as a whole. Alongside isolating and then attacking one by one the entrenched sections of organised labour, Thatcher offered significant concessions to the rest of the working class as individuals in order to build support for her ideal of a 'popular capitalism'. Thus, at the same time as abolishing high rates of tax for the rich, Thatcher also cut the basic tax rates of the vast majority of those in paid work. In selling off nationalised industries at a cut price, she ensured that the huge giveaway was not merely confined to the financial institutions of the city but was extended to anyone who had a spare few hundred quid.

Yet for many in the working class the gains from tax cuts and cut-price shares were at most of marginal significance. The sale of council houses at large discounts to sitting tenants was a far more important concession. The sale of council houses not only represented a substantial transfer of wealth from the State to working class families, but also opened the prospect for their escape from the condition of 'being working class'. By promoting material security and equal opportunities, the post-war settlement had led to the break up the old rigid class identities and had led to a surge in social mobility in the decades after the Second World War. The sale of council houses, by making the middle class aspiration of home ownership possible for those who would not have otherwise attained it, both harnessed and furthered this increased social mobility.

In 1979 Thatcher swept to power with the pledge to expand owner occupation through the sale of council housing. Yet it was with the realisation of the downside of owner occupation that was to lead to her downfall. In 1988 the housing bubble of the late 1980s was punctured when interest rates were doubled in little more than six months in order to prevent a collapse in the pound. Hundreds of thousands of owner occupiers, particularly first time buyers, who had stretched their finances to the limits to buy their homes in the expectation of ever rising prices suddenly found themselves working all hours to pay off

¹³ In the nineteenth century, following Malthus, bourgeois theorists had argued that the working class were poor because they had too many children. In contrast the middle class, it was argued, were better off because they limited their numbers by delaying their marriages and had smaller families. Such Malthusian arguments went out of fashion in late nineteenth century but were preserved in petit-bourgeois ideology well in to the twentieth century.

a mortgage greater than the price of the house. Unable to sell their homes without making a substantial loss they were trapped by what became known in financial jargon as negative equity. For many in such a position the Poll Tax was the last straw that focused their anger against the government and drew them into a temporary alliance with the less well-off sections of the working class that were to face the brunt of the Poll Tax.

However, disillusionment with the 'property owning democracy' did not last long. In a period when wages were rising close to 10% a year, house prices could begin to recover while at the same time continuing to fall relative to wages. As a result, in a period of continued high inflation, negative equity soon began to evaporate, and the 'property escalator' gradually eased the plight of those who had been first time buyers at the height of the housing bubble. Nevertheless, the persistence of high unemployment and the policy of high interest rates during the Major years kept the housing market subdued. It was only after the election of New Labour that the housing market began to take off again.

As we pointed out in the introduction, the current housing bubble has played a major part in sustaining the economic expansion under New Labour, particularly following the dot.com crash of 2001. To an unprecedented degree homeowners have borrowed against the rising value of the homes. With rapidly rising house prices this has allowed consumer-spending to rise faster than wages. Increased consumer demand, combined with the expansion of the public sector, has contributed to the maintenance of high levels of employment, which in turn has helped sustain rising house prices. This virtuous circle of economic prosperity has served to consolidate New Labour's electoral coalition.

However, to the extent that the last seven years has seen the beginning of a new era of low inflation, it also marks a period of transition in the character of the housing market. Many of those who took out mortgages in the high inflation era of the '70s, '80s and early '90s, are now sitting on a small fortune. But the prospects for those taking out mortgages for the first time now is likely to be far less rosy. With lower inflation rates have come lower interest rates. Unlike the low interest period before the 1970s there is no mortgage rationing by the building societies to check rising prices. Instead a fall in interest rates has been offset by prices being bid up to the maximum of what buyers can afford. This has given a further twist to the speculative price bubble that has effectively priced out many first time buyers to an unprecedented degree. Whereas in the past 50% of all house transaction involved first time buyers, this has now fallen to little more than 25%.

Of course, once the current house price bubble bursts or deflates house prices will either fall back and then for a time stagnate or else will fall sharply. This will make houses more affordable for first time buyers as wages rise. But with the growing shortage of housing, particularly in London and the South, in the long-term house prices are likely to rise faster than wages. Sooner or later there will be another house price bubble that will again price first time buyers out of the market. As a consequence, for many it will become increasingly difficult to buy their own home.

This is likely to become exacerbated by the introduction of higher education tuition fees. With the expansion of mass higher education some form of higher education will become necessary for even the most mundane of white-collar work. Yet the introduction of tuition fees and the absence of maintenance grants for anyone other than those coming from lowest income groups, will mean that many young people from working and

lower middle class backgrounds will be burdened with substantial student debts before they can even consider taking out a mortgage.

But perhaps more significantly, the prospects for those who are able to overcome these barriers to become owner occupiers will be far less bright in the future than they have been in the last three decades. In an era of low inflation, the 'property escalator' will slow down. The mortgage debt will no longer be eroded by inflation. Instead, having paid a high price and taken out a large mortgage, the current generation of first time buyers will find that they are paying a considerable part of their income for many years to come. Hence, not only will home ownership become less affordable but also for those who do manage to buy their own home it is also more likely for them to find themselves on a treadmill than an escalator.

New Labour and the housing crisis

In its first two years of office New Labour was able to achieve what the Tories had failed to achieve in all their eighteen years in government - they managed to cut the overall levels of central government spending. Given New Labour's commitment to sustain real increases in spending on health and education, this meant particularly severe cuts in other low priority areas of public spending. Housing was one such area. Government grants for the rehabilitation of housing, which as we have already seen had steadily declined since the early 1980s, were slashed. At the same time subsidies for social housing to replace the declining Council housing stock were cut back. As a result the numbers of homeless families in temporary accommodation has doubled since Labour has been in power.

In its first years New Labour's main concern was on reducing the visibility of homelessness. Whereas the Thatcher government had been content to have the homeless on the street as a visible warning to the working class as to the importance of working in order to pay their rent or mortgage, for New Labour this was far too distasteful for their vision of 'cool Britannia'. Instead, Blair's solution was to drive the homeless off the streets by providing cheap rule-infested hostels and by criminalising those who refused to leave the relative freedom of the streets.

Yet sweeping the problem of inadequate housing under the carpet can only be a short-term palliative. As the government has come to realise, the problems of a growing shortage of housing can no longer be exclusively borne by the poorest sections of the working class but is already affecting both the lower middle class and the better sections of the working class. In the current housing bubble, essential workers and professionals can no longer afford to live in London and many other areas of the South East. Rising house prices are forcing up wage demands and creating growing industrial discontent.

As a result housing has begun to gain a higher priority. With the expansion of public spending following the 2001 election the government has begun to provide funds for the expansion of affordable housing. Yet, with health and education still the overriding priorities, money is still short. As a result the government, like elsewhere in the public sector, has sought to draw in private capital to finance public investments. Following the policy introduced under the Tories, but which had always been inhibited by lack of public funds, the government has sought to transfer the remaining council houses that have not been sold to their tenants to housing associations and other 'social landlords'. Private capital is then given an opportunity to invest in the management, repair and

maintenance of public housing and in return gain a secure income from the rents, with the government providing subsidies to ensure that private capital is well rewarded.

However, this attempt to off-load the remaining stock of council housing has led to concerted opposition on the part of council tenants. Despite government attempts to blackmail tenants into voting to approve the transfer of their housing to 'social landlords' by threatening to cut all the funds for repair and maintenance, tenants groups have scored a number of notable victories over the governments plans. The transfer of council housing is now becoming a major political issue, particularly amongst old Labour MPs and Councillors who are seeking to 'reclaim' the Labour Party.

Yet as the government has recognised, the policy of rehabilitation of existing social housing is far from being sufficient in itself to avert the looming housing crisis. As a stopgap measure the government has introduced a 'key workers' scheme in which those deemed to be essential workers, such as teachers and nurses, are to be able to obtain cheap mortgages in certain areas where they are in short supply because of high housing costs. Of course, by itself this will only push up the house prices for not so key workers. As the government has been forced to recognise the only long term solution is to build more housing and this cannot be simply left to the free operation of the market.

The second term of new Labour has not only seen a substantial expansion in public spending but also housing rise in the governments list of priorities. In 2002 John Prescott, the Deputy Prime Minister, announced plans for the construction of 200,000 affordable homes in London and the South East alone, to be achieved through generous subsidies to housing associations and a concerted effort to relax local authority planning controls. With a further £1.3 billion provided for the housing budget over the next four years, this target has recently been raised to 400,000 affordable homes.

Yet while Prescott's plans represent a sharp reversal in Government housing policy of the last 25 years, this expansion of social housing is far from being ambitious. The target of building 400,000 houses in London and the South East is not to be achieved until 2016. In the next four years the expansion of social housing will amount to no more than 30,000 new homes a year. This pales into insignificance when compared to the 200,000 council homes constructed each year in the 1960s. As the government itself admits, its plans to expand social housing fall far short of the projected increase in the demand for new housing.

Conclusion

Throughout much of Europe in the last century the preservation of a property owning peasantry served as an important conservative bulwark to the advance of collectivism and social democracy. In Britain, however, the peasantry had long since been expropriated with the emergence of agrarian capitalism and the establishment of the English landed system in the seventeenth and eighteenth centuries. Instead, it was to be the advance of owner occupation that was to provide a far more effective material basis for conservative liberal individualism that was to hold collectivism at bay in Britain.

With the relaxation of landed wealth's stranglehold over landed property after the First World War, home ownership and the growth of suburbia not only consolidated but served to radically redefine what it was to be middle class in Britain. Further, with the subsequent expansion of owner occupation to sections of what had been the traditional working classes, home

ownership not only limited the expansion of collectivism and social democracy but ultimately played an important part in their downfall. Indeed, taken as a whole the twentieth century can now be seen as the forward march of home ownership under the banner of liberal individualism that was to triumph in the current period in which owner occupation is the ideal and dominant form of housing tenure.

However, as we have pointed out, there are clear signs that the current era of housing has reached its limits. The contradictions of the present regime of housing provision are coming to the fore and threaten to break out in a looming housing crisis.

As we have seen, in the 1970s the expansion of home ownership was already running out of steam. For the most part the expansion of home ownership in the last twenty years has been sustained by the sale of council housing. But the amount of council housing that can be sold is limited and the state can only sell council houses off once. At the same time, the construction of houses for sale has been running at historically low levels.

With cuts in public spending falling particularly heavily on housing budgets, Britain is facing the problems of an increasingly inadequate, aging and substandard housing stock. Yet these problems can no longer be shifted onto the poorest sections of the working class. The shortage of adequate housing in the right location has forced house prices up to levels that even those in the higher income tax bracket can no longer afford. Even if house prices fall sharply, with the bursting of the house price bubble, it is still likely that only those with above average incomes will be able to buy a house.

Yet it is not only that the proportion of households that are homeowners is likely to decline. What is perhaps far more important is that with the transition to an era of low inflation, but high house prices, the attitudes induced by home ownership are likely to change. As the 'property escalator' switches off, those who do manage to become house owners will face years of heavy debt with little prospect of escape. For many, home ownership will become more of a treadmill leading nowhere. Home ownership will no longer be such a conveyor belt into the middle classes. As such the transition to a new era in housing is likely to lead to major class realignments.



'Must try harder!':

Towards a critique of Autonomist Marxism

THIS ROTARY CLOTHES LINE SAVES YOU WORK
Hang out the wash as you stand beside your basket and save that walk

7ft. 3in. between struts.
90ft. of Plastic Clothes Line.

Socket can be placed in Garden or on Balcony of Flat. Easily folded and taken indoors.

105/- each
From all Ironmongers and Stores
Send for leaflet and name of local stockist

F. W. HIPKIN LTD
WINGFIELD ROAD
LONDON, E.15
Telephone: MARYland 2093-4-5

WHIRLINE
ROTARY
CLOTHES
LINE



Our review article 'From *Operaismo* to Autonomist Marxism' (*Aufheben* 11) brought a robust response¹ from Harry Cleaver the author of one of the two books we were responding to. As we see critique and counter critique as a way of developing theory, this reply, in which Cleaver makes some valid points, should have been an opportunity to clarify our criticisms, to acknowledge weaknesses and inadequacies in what we wrote and to restate some of the issues at stake. Unfortunately Cleaver chose the electronic equivalent of a red pen to make his response, reproducing our text interspersed with copious comments. This schoolmasterly form of response meant we could not publish his reply without republishing our article and would also make a direct response to it - putting comments on his comments - rather unwieldy.

While a reply in this form might satisfy a certain competitive spirit, it would be tedious for both us and many readers. Also the way that we initiated this as a critique of Cleaver has personalised the whole issue. Of course Harry Cleaver is one of the most prominent anglophone partisans of Autonomist Marxism and has waged the good fight for its recognition in the academic and activist marketplace. We reacted to his role as an ideologue - but this is a distraction from the central issue. *Operaismo*, *Autonomia* and Autonomist Marxism represent some of the most dynamic and innovative attempts at theorising the class struggle to have emerged in the last half century. This is what matters and what should be subject to critique.

As one writer on Autonomist Marxism puts it: 'Autonomy as both individual and collective praxis has remained the prevailing characteristic of the new social movements of the radical Left of

the 1980s and 1990s, from the 'ecowarriors' of Europe to the Zapatista indigenous peoples of Chiapas in Mexico. Autonomist Marxism may be one of the few leftist ideologies not only to have survived the fall of the Berlin Wall, but to have been strengthened and vindicated by the collapse of 'real socialism' and the downfall of orthodox Marxism.²

Leaving to one side the author's positive use of the terms 'leftist' and 'ideology', we can see this view to be borne out in the way Autonomist Marxism has been able to connect to the 'anti-globalization' movement. There has been the extraordinary success of Hardt and Negri's account of the new developments in capitalism - *Empire*³ - whose sequel *Multitude*⁴ is now coming out.

Negri and other Autonomist intellectuals have been involved in the various Social Forums. But perhaps most importantly is the way that various Autonomist Marxist themes and ideas make sense to, and are taken up by, many involved in the mobilisations. Autonomist Marxist ideas can both appeal to the more liberal side of the movement and to those seeking radical or revolutionary alternatives. In this and other countries the traditional left has had to respond to this influence, producing various more or less false pictures of 'Autonomism'

² 'The future at our backs: Autonomia and Autonomous social movements in 1970s' Italy' by Patrick Cuninghame <http://ktru-main.lancs.ac.uk/CSEC/nscm.nsf/0/4e8a15e4d43857b8802567210071365b?OpenDocument>

³ *Empire* by Michael Hardt and Antonio Negri (2000, Harvard University Press)

⁴ *Multitude: War and Democracy in the Age of Empire* by Michael Hardt and Antonio Negri (2004, Penguin).

¹ <http://www.eco.utexas.edu/Homepages/Faculty/Cleaver/AufhebenResponse2.pdf>

The renewal of interest in Autonomist Marxism will be a good thing if it is part of a wider search for clarification and understanding. For us the most interesting writings are from the '60s and '70s when operaismo and *Autonomia* expressed developments in perhaps the most advanced area of class struggle at this time. It is to be hoped that attention will turn away from Negri's latest outpourings to a reassessment of the revolutionary experience of that time. So it will be good if and when more material becomes available and more people read it and absorb it.

However we don't think that Autonomist Marxism should be held up as an answer, and we don't identify with Autonomist Marxism at the expense of other currents that don't meet its criteria. It was this quality of Cleaver's book - the way it upheld Autonomist Marxism as the culmination of radical theory and his own writings on value as the epitome of a revolutionary reading of *Capital* - that we responded to. By contrast, we welcomed Steve Wright's book⁵ for being prepared to face up to the limits of Autonomist Marxism in theory and practice.

While we do find texts such as Bologna's 'Tribe of Moles'⁶ or Negri's *Marx Beyond Marx*⁷ more useful than later texts, it is not enough to say that there was a 'good' Negri or a 'good' Autonomist movement that has been replaced with a more suspect one. What needs to be traced out is the weakness and limits in the original theorisations that the later developments then took in a particular direction. So, as we have said, the obsession with the guaranteed income or citizen's wage that many Autonomist Marxists now express should be linked with their advocacy of a political wage in the 1970s. Despite their adoption of the slogan of 'the refusal of work', Autonomist Marxism can be seen to still exist within a framework of the affirmation of labour. The demand for a political wage was that we should all be recognised as productive. The embrace at this time by Autonomists in the '70s of the most extreme violent tactics is not proof of their radicality. At the practical level, Autonomists took on the representative role of managing other people's struggles,⁸ part of their maintenance of a political and leftist perspective.

In a recent interview Negri perhaps gives the game away:

We were absolutely opposed to totalitarianism in any form. We were seeking a true redistribution of wealth. It is almost impossible to live decently if one isn't able to study, to work: society must be organised in such a way that people have these rights. This isn't really a very utopian dream - the paradox is that many of the ideas that we advanced were later adopted by advanced capitalism!

⁵ *Storming Heaven: Class Composition and Struggle in Italian Autonomist Marxism* (2002, Pluto Press).

⁶ In *Working Class Autonomy and the Crisis* (1979, Red Notes)

⁷ 1991, Autonomedia. Originally published 1978.

⁸ 'Managing other peoples struggles' is how Gilles Dauvé defines leftism in a section on Italian Autonomy. 'Roman Des Origines' (Recollecting Our Past), *La Banquise*, 1981, on Troploin website.

The problem is that government, in order to make the job of managing society easier, invents increasingly elaborate disciplinary procedures. We offered to take over this management role because we were searching for a real transformation of social relations. And it was this offer that the Italian authorities turned down so harshly.⁹

However such a management role needs to be explored, and Cleaver's reply exposed the fact that a lot of our article simply articulated the sort of criticisms we and others have been making of Autonomist Marxism without developing them in a logical and persuasive manner. In part here we wish to avoid that scatter-gun approach by a much more focused article.

Rather than take on the whole gamut of what we think needs criticising in Autonomist Marxism, we look here at one important issue for Autonomist Marxism: its attempt to theorise reproductive labour. To remain even more focused, we take on what is to our knowledge the most comprehensive attempt to give the ideas of wages for housework etc. a theoretical base: Fortunati's *The Arcane of Reproduction*.

A merit of Autonomist Marxism as against traditional Marxism is its ability to focus on struggles outside the industrial working class. Such struggles are indeed the manifestation of capitalist contradictions. A weakness of Autonomist Marxism is how this is theorised; the solution leads them to valorise (literally) these struggles, with imprecise use of categories to conflate different types of labour in a theoretical sleight of hand in which all distinctions and important mediations get lost.

In criticising Autonomist Marxism one doesn't want to assimilate oneself to the critiques made by the traditional left. It is noticeable that one of the main things the left object to in, for example, *Empire*, is its abandonment of the politics of anti-imperialism and nationalism - i.e., one issue on which Negri and Hardt move in the right direction. In most cases, the traditional left criticise Autonomist Marxism for straying from their idea of politics, while for us it is the extent that Autonomist Marxism does not escape politics and representation that is the problem. But orthodox Marxism does have some points that hit home against the twists and turns of Autonomist Marxism, and one of them is that Negri and Hardt are wrong to abandon a theory of value.¹⁰

Part of the renewal of interest in Autonomist Marxism is that its ideology of defending our Autonomy against capital, which was part of the movement of '77 and partook of its weaknesses, fits with the ideological and practical limits of social movements today. The danger of a return to defending *our* Autonomy, *our* self-valorisation, *our* access to commons, is of failing to see what happens outside our milieus and scenes. While the struggle to defend the commons is still appropriate in parts of the world, in the advanced capitalist countries, where references to commons are tenuous to say the least, the pressing need is to turn capital as a whole into commons.

⁹ Answering the question "You were defending communist ideas, then, not the Communist Party?": *Negri on Negri: Antonio Negri in conversation with Anne Dufourmantelle*, (Routledge 2004 p. 6).

¹⁰ See 'Escape from the "Law of Value"', *Aufheben* 5 (1996).

The arcane of reproductive production

Introduction

One of the main contentions at the core of Autonomist Marxism is that all human activity in either the sphere of production or in circulation and reproduction is potentially productive, that is, can contribute to the valorisation of capital. The work of reproduction, which is the work done on ourselves and on our families to reproduce ourselves, reproduces our labour power, i.e. our capacity to work for capital - in this sense, Autonomist Marxist theorists argue that the work of reproduction is production for capital. Leopoldina Fortunati's *The Arcane of Reproduction*, published in Italy in 1981 and in the US in 1995,¹ seems to be the most sophisticated contribution to this theme so far. While reproductive labour may cover anything from playing video games, attending courses, going to a gym, watching television, looking for a job, etc., in her pamphlet Fortunati deals with culturally specific female activities outside the sphere of production: housework and prostitution.²

Fortunati comes from a tradition of Marxist feminism connected to the Autonomist area. One can trace a study of the connection between female work and capital to 70s' Italy for example in Mariarosa Dalla Costa. In her seminal work *Women and the Subversion of the Community*, written in 1971, Dalla Costa 'affirms... [that] the family under capitalism is... a centre essentially of social production'; and that housework is not just private work done for a husband and children.³ Housework is then an important social activity on which capitalist production thrives. However, while Dalla Costa says that activities done within reproduction are 'if not immediately, then ultimately profitable to the expansion... of the rule of capital', Fortunati attempts the theoretical leap of demonstrating that housework does produce value within a 'Marxian' approach and tries to express this value-creation mathematically.⁴ This is brave

indeed, as Marx's analysis of capital would appear to show that this is not the case - thus in order to achieve her aim Fortunati has to revise Marx's categories - or, in her words, 'combine them with feminist criticism' (p. 10) so that they can become suitable tools for this aim.

Fortunati's claim that reproduction produces value is a challenge to the Marxist 'orthodoxy' that agrees that the work of reproduction is a precondition of a future creation of value and serves to keep the cost of labour power low, but does not actually create value itself. In this 'orthodox' view the work of reproduction is just concrete labour, not abstract labour. Since it is only concrete and not abstract labour, this labour does not add any fresh value but preserves the values of the means of subsistence consumed by the family as the value of labour power. This value manifests itself as the exchange value of labour power.

Fortunati's main arguments against this view are centered on her concept of labour power, which is the specific product of the woman's work as a housewife or prostitute: in fact, Fortunati claims that labour power is, without other specifications, 'a commodity like all others', which is 'contained within' the person of the husband. It is true that when we hire ourselves to the capitalist, our submission takes the form of a sale, the sale of labour power. But, as we will argue in detail later, it is also true that producing and selling labour power is not like producing and selling other commodities, and this difference embodies the essence of our condition as proletariat and dispossessed. With her assumption of labour power as 'a commodity like all others' Fortunati eliminates this important difference on the one hand, and on the other hand she is able to conclude straight away that labour power *must* contain the value corresponding to the abstract labour time expended in its production like 'all other commodities' do.⁵

If according to this deduction housework produces value, how can Fortunati explain the fact that no value appears as a result of housework?⁶ This is because, she says, in capitalism the individual has been 'divested of all value', devalued, i.e. denied the property of being a carrier of value as a person. This is a

¹ Leopoldina Fortunati, *The Arcane of Reproduction*, New York, Autonomedia, 1995.

² Today, when both husband and wife are supposed to work, the wife often works as well as doing most of the housework at home. For the sake of non-complexity, we assume here that the housewife is a 'pure housewife' and that the family is formed by husband and wife, unless stated, since this does not alter the nature of our issue (value and reproduction).

³ Selma James's introduction in Mariarosa Dalla Costa and Selma James, *The Power of Women and the Subversion of the Community*, Bristol, Falling Wall Press, 1972. All emphasis in all the quotes are ours.

⁴ It is noticeable that, however, in the course of her pamphlet, Fortunati's challenge is carried out with a certain caution. Here and there Fortunati seems to admit that the work of reproduction is only a precondition for future value production: 'the surplus value produced within the process of reproduction *posits itself as a precondition...* of the surplus value produced within the process of reproduction' (p. 102). And she seems to admit that value is actually created by the labour actually expended in production by the worker husband: '[reproduction] work transforms itself into capital *only* if the labour power that contains the housework surplus value is consumed productively within the process of production' (p. 103).

⁵ 'It is [the whole family] that constitute the necessary nucleus for the production and reproduction of labour power. *This is because* the value of labour power, like that of any other commodity, is determined by the time necessary to produce and reproduce it. Hence the total work supplied by the work subjects in this nucleus constitutes the necessary work time for its reproduction.' (p. 19) Or on page 23: 'Given that [labour power] is a commodity, its reproduction must *therefore* be subject to the general laws governing commodity production, which presupposes an exchange of commodities.' Or on page 158: 'Reproduction functions as another process of commodity production. As such it is a process complete in itself and, *like the others*, one in which work is divided into necessary and surplus labour' (p. 158). The fact that housework produces value, or is an expenditure of abstract labour time, is in these sentences the 'logical consequence' of the initial assumption that labour power is 'a commodity like all others'.

⁶ Or in her words, housework 'appears' as 'the creation of non-value' (p.10).

devaluation in terms of monetary value: 'while a slave or serf, i.e. as the property of the master or the feudal lord, the individual has a certain value... the individual has no value' today (p. 10). If the individual cannot 'carry' the value produced by his wife, this value does not appear in the exchange between labour power and capital, and slips through the worker straight into the hands of the capitalist, without any recognition for the housework done.⁷ And only when the husband's labour power is in the hands of the capitalist, when the worker actually works, does this value manifests itself as value created during production. Housework according to this theory is then part of the aggregate labour in society that valorises capital, but since the 'individual' is 'devalued', its contribution to capital is not recognised.

In the same way as Fortunati claims that reproduction really creates value, 'but appears otherwise', she asserts that the real status of the housewife is that of a waged worker, but 'appears otherwise'. In fact, Fortunati says, the direct relation between the wife and the husband hides a real relation of wage-work exchange between the wife and *capital*, which is mediated by the husband as the woman's work 'supervisor'.⁸

Although, as we will see below, Fortunati's arguments seem to diverge from other theoretical Autonomist approaches, it has encountered some appreciation within the Autonomist area. Dalla Costa mentions it for example; and Harry Cleaver has it in the reading list for his 'Autonomist Marxism' course.⁹ Outside the area of Autonomia, her pamphlet has been praised by AK distribution as 'an excellent book worth reading very carefully and a good example of immanent critique of Marx's work'.¹⁰ Surely no reader can miss Fortunati's in being able to deal with 'complexities': in her pamphlet the words 'complex' and 'complexity' appear at least 26 times.¹¹ Her 'dense' style, noticed by AK distribution, which for example calls having sex a 'work of sexual reproduction of the male worker' is consistent with this fascination with 'complexity'. No doubt this has inspired awe and respect in her readers.

One reason for the present critique is first of all because the disparity between the male and female condition in capitalist society is a real problem. If our realisation as individuals having 'value' in bourgeois society is only through our roles as buyers and sellers of commodities (or specifically as sellers of labour

power and earners of a wage), bearing and rearing children is an obstacle to this realisation. Although part of the toll of being parents can be shared, bearing the child cannot - and, *whatever her class*, the woman is discriminated against with respect to the male in capitalism. A study of the problem connected to female work is then interesting for its potential criticism of bourgeois relations of exchange - specifically of the fragmentation of society into bourgeois individuals who recognise each other only as buyers and sellers of commodities.

Fortunati's work is the product of her involvement with the 'Wages for Housework' movement in Italy in the 1970s. This movement produced plenty of radical theory close to Autonomia (such as Dalla Costa's work) and received attention and respect from US Autonomist Marxism, especially Harry Cleaver.¹² However in the present critique we have chosen to deal only with the particular theoretical development by Leopoldina Fortunati and not with the wider issue of Wages for Housework - a treatment that would have to take on the rather cult-like behaviour of the movement espousing this demand.

In fact, besides the interesting issues related to women's condition in our society, the principal focus for this critique of Fortunati's work is the specific issue of reproduction as 'productive work', which Fortunati shares with the broader area of Autonomist Marxism. In particular, we want to address the Autonomist elaboration of the concept of value in the present mode of production. In this discussion we will stress not only the similarities among various authors, but also their, sometimes important, differences in their theoretical positions. We will discuss in particular the following three points:

- 1) the importance, within Autonomist Marxism, of demonstrating, at every cost, even with the aid of 'formulas', that the work of reproduction is productive and a creator of value
- 2) the Autonomist concept of the work of reproduction as work which is, as Fortunati would put it, 'capitalistically organised'; i.e., indirectly controlled by capital and having the character of waged work.
- 3) the concept of capital as imposition of work, discipline and repression, and the parallel conception of the working class as antagonism against capital.

In discussing these points, we will make parallels and reference to some of the main authors who write, or wrote, within Autonomia or Autonomist Marxism, and in particular Harry Cleaver (*Reading Capital Politically*¹³), Massimo De Angelis (*Beyond the Technological and the Social Paradigms: A Political Reading of Abstract Labour as the Substance of Value*¹⁴), and Antonio Negri (*Pipeline, Lettere da Rebibbia*¹⁵)

⁷ 'When selling their labour power on the capitalist market, the individuals cannot offer it as the product of their work of reproduction, as value, because they themselves... [have no] value.' (29, p.11).

⁸ Less crude than Fortunati, years before, Mariarosa Dalla Costa appreciated the importance of internalisation of the housewife role in the housewife, an internalisation that has material roots in her real social relations within society and can be broken down only through the material involvement in the struggle. It is a fact that the ones who really check the quality of housework are the woman's female friends and relatives, not the husband!

⁹ Cleaver: http://www.eco.utexas.edu/Homepages/Faculty_Cleaver/387LautonomistMarxism.html (2002).

Dalla Costa: <http://www.commoner.org.uk/dallacosta06a.doc> (written after 1996).

¹⁰ <http://www.book-info.com/asin/0936756144.htm>

¹¹ pp. 8; 9; 14 (three times); 15 (twice); 20; 22; 33; 34; 41; 47; 59; 55; 57 (three times); 91; 108 (three times); 109 (twice); 128 (twice, one of which is 'extremely complex').

¹² Harry Cleaver, *Reading Capital Politically*, Anti/Theses, AK Press, 2000, p. 84. About Cleaver's allegiance to the issues and the spirit of Wages for Housework see also his reply to our 'From Operaismo to Autonomist Marxism', *Aufheben* #11, <http://www.eco.utexas.edu/factstaff/cleaver/AufhebenResponse2.pdf>, p. 54.

¹³ See previous footnote.

¹⁴ *Capital and Class* 57, Autumn 1995, pp.107-134.

¹⁵ As quoted in Anonimo Milanese, *Due Note su Toni Negri*, Renato Varani Editore, Milan, 1985, our translation.

and Antonio Negri and Michael Hardt (*Empire*¹⁶). We will make clear the difference between these authors, who on the one side share some basic tenets of the Autonomist tradition, but on the other side may diverge on fundamental points and in their understanding of capitalism.

In the following sections we will analyse the details of Fortunati's own treatment of reproduction as productive work and her initial assumptions. For simplicity's sake we only deal with Fortunati's approach to housework, and avoid the issue of prostitution.¹⁷

The quest for value

No Marxist would deny that housework and reproductive work are functional and necessary for the whole process of capital's self-valorisation. What makes Fortunati's book new or challenging is that it aims to convince the reader that housework is a real expenditure of abstract labour time, and a real creator of value, and that this can be quantified.

In fact, the argument that work done outside production is productive is a recurrent focus in Autonomist theory. In *Reading Capital Politically*, Cleaver reminded the reader that abstract labour and abstract labour time 'must be grasped in the totality of capital' (p. 118) and that in the 'total social mass' of abstract labour and value produced in capitalism there is 'a direct or indirect contribution' from anybody who is coerced into any form of work, either waged or unwaged, including housework (pp. 122-123). Although any coerced activity can be functional to the valorisation of capital, this does not mean that it *is* abstract labour and produces value. In saying that, this contribution can be 'indirect', Cleaver leaves the question ambiguously open.¹⁸ However, this suggestion was later taken over and explicitly developed by his student Massimo De Angelis. In his article mentioned above, De Angelis attempted a logical 'demonstration' that any alienated, coerced and boundless work amounts to an expenditure of abstract labour and thus creates value for capital.

Why is it so important to argue for the creation of value outside the sphere of production? The reason expressly given by Fortunati and, for example, De Angelis is similar: this is somehow essential to explain the struggles that may develop outside the sphere of production as working class struggles. As De Angelis puts it, the recognition of a productive role of all proletarians is important for a theory that can explain and give 'an appropriate interpretative framework' to the struggles of the non-waged as well as the waged, as struggles against capital (p. 122). The categories of productive, unproductive, value, abstract

labour, seem then to be essential in the political (or moral?) evaluation of the role and antagonism offered by sections of the proletariat.¹⁹

Traditional Marxists would think that it is rather odd to use the categories that describe the dynamic of capital as analytical tools to interpret the class struggle or as indicators of class antagonism. Capital, value, use value, the falling rate of profit, the laws of the market, etc. are for them constitutive of an objective reality that conditions the class struggle, but are independent of our struggles and subjectivity. Yet Marx had explained in *Capital* that these 'things', real constraints on our lives, are an expression of a social relation, which appears to us in a mystified form, as independent of us. A merit of Autonomist theory was to try to overcome this objectivistic understanding by emphasizing the subjective dynamics of capitalism.

However, by criticising the purely objectivistic and economicistic understanding of capitalism, they oppose to this reading one which is purely subjectivistic: class struggle as a confrontation between two opposing and Autonomous consciousnesses, capital and the proletariat.²⁰ In this reading capital and its objective categories become mere objectified phantoms of a purely subjective reality. Thus for example, De Angelis warns the reader that when he mentions 'the law of value' he actually means the 'imposition of work and working class resistance in and against capital' (p. 119). For Cleaver, 'use value', beyond being the physical body of the commodity (which is the 'economicistic' phantom), has to be understood primarily as a combination of qualities subjectively recognised in the commodity by the two subjects in struggle, the working class and capital. This way Marx's *Capital* becomes a coded manuscript that has to be deciphered by looking at the subjective class-struggle 'meanings' of the categories employed in it; which is precisely what Cleaver attempted to do in *Reading Capital Politically*.

Perhaps this one-to-one-relation of subjective and objective categories can explain the Autonomist obsession for the most improbable quest after that of the philosopher's stone. If abstract labour is the expression of a relation of antagonism between the dispossessed and the bourgeoisie, then pointing at the value produced by sectors of the proletariat becomes essential to understand their antagonism with capital and their struggles. Indeed, how can you explain the antagonism of sections of the proletariat who do not create value, if the expenditure of abstract value, thus the production of value, is your litmus paper for detecting class antagonism? In this perspective, recognising all the proletariat as 'productive' becomes indispensable; conversely, a categorisation of work as productive or unproductive becomes

¹⁶ Michael Hardt and Antonio Negri, *Empire*, Harvard University Press, London, 2000.

¹⁷ We do not deal with prostitution for simplicity's sake, but it is important here to stress that Fortunati's assimilation of housework and prostitution is not a straightforward task and requires a whole article of critique in itself.

¹⁸ Unlike De Angelis and Fortunati, Cleaver prefers to remain ambiguous on this crucial point. In another part of his book, he just suggests that the work outside production 'counts as surplus value' in the social factory. (p. 84) This is not the same as saying that this work creates value, because a work that reduces the cost for the capitalist even without creating value can be accounted as higher surplus value for the capitalist.

¹⁹ This can be seen as a reaction to the equally moralistic approach within the old workers' movement and especially within Stalinism which celebrated and prioritised the importance of productive workers as 'real' workers against the parasitism or lack of relevance of unproductive labour. An extreme of this was the Stakhanovist glorification of work in Russia.

²⁰ For a similar critique of Autonomist Marxist subjectivism see our review article on *Midnight Oil*, *Aufheben* #3, Summer 1994.

a 'politically dangerous' thing to do.²¹ The liberating realisation that the objective reality of value and its law is ultimately related to our subjectivity, antagonism and struggle, is then turned into a theoretical riddle. In *The Arcane of Reproduction* Fortunati simply applies this Autonomist approach to understanding and evaluating class struggle as an abstract rule to the case of female work and gives her own peculiar contribution to this theoretical riddle, as we will see later.

There is an important point that one has to stress here. The theoretical problem faced by Fortunati, Cleaver and De Angelis arises from their attempt to salvage Marx's concept of value *together* with a subjectivistic concept of 'value' as expression of political power and class struggle. This is different from the position of Antonio Negri, who in the '70s started to theorise value as a purely subjective political force, 'the command of capital'. Unlike Fortunati and the others, Negri explicitly distances himself from the Marxian conception of value. He justifies this move by claiming that there has been an historical change: in the '70s, he says, value and its law were effectively suppressed and replaced by a political, direct, command by capital.²² In his recent work *Empire*, Negri reiterates his view that today we live in a 'postmodern' world in which capital is no longer 'able to reduce value to measure' or to make a 'distinction between productive, reproductive and unproductive labour' - a world where value is not anymore the result of an expenditure of abstract labour, but only the expression of 'production and reproduction of social life' and of the power of the system, of *Empire* (p. 402). This 'value' is obviously 'produced' by anybody who contributes to a general 'reproduction of social life'. There is nothing to 'demonstrate' in this case, no 'formulas' to calculate, no complexities to disentangle. By distancing himself from Marx and adopting a non-Marxian, postmodernist discourse, Negri has indeed made his life easier than his Autonomist-still-Marxian colleagues.²³

Despite the theoretical problems that we have just seen, is there something true in the Autonomist insight that all work, waged or not, is productive? And, above all, does Fortunati share this insight? This is what we will see in the next section.

The subsumption of society by capital and class antagonism

As we have seen in Section 1, the arcane of the Autonomist interest in demonstrating that the work of reproduction, or any work done outside the sphere of production, is productive work, lies in a reading of Marxist categories, which makes the

²¹ In *Reading Capital Politically*, page 118, Cleaver says that such a categorisation would involve a political categorization of workers into 'real' workers and others.

²² For Negri, the detaching of the dollar from gold in the years 1971-3 was the beginning of a new world dominated directly by a law of command. This change, as Negri says in *Pipelines, Lettere da Rebibbia*, (p. 132) consists in the fact that: 'the dollar is now the ghost of [Nixon's] will, the whimsical and hard reality of [his] power'. This change, Negri says, indicated a new phase of accumulation at a world level where 'the vetero-Marxist law of value is over; now the "law of command" rules... The subjection of value to the dollar, of life to the American diktat... [means that] the economic crisis now are dictated by command'.

²³ Pity that this postmodern world looks too much like capitalism to justify the abandonment of Marx's theory!

categories of value, abstract labour, etc. have 'meanings' in terms of subjective categories: the imposition of work by capital and the resistance to work by the working class. The way value and its laws can immediately mean a class relation of antagonism is explained by De Angelis. Abstract labour, the creation of value, being tantamount to imposed, boundless and alienated labour, is the 'form' of work in capitalism. For De Angelis then any waged or unwaged work, insofar as it is alienated, boundless and coerced, is abstract labour and consequently a creation of value. And since antagonism and resistance necessarily come out of the coercive and alienated nature of this work, then antagonism is one with the expenditure of abstract labour and the creation of value in capitalism, and it can manifest itself among the waged as well as the unwaged proletariat.

It is true that a good deal of antagonism to capital is experienced outside the sphere of production: there are plenty of examples of struggles of the unemployed, students, etc. It is also true that antagonism is experienced within a society where capital effectively subsumes many of the activities that are done outside the workplace, so that not only are these activities functional to capital, but they also acquire an imposed, boundless and alienated character. The whole of society may then well be seen as an extended factory where direct or self-imposed discipline, haste, boredom, misery and sweat are the subjective aspects that necessarily complement the motion of self-valorisation of capital.²⁴ To understand and explain the relation of antagonism outside the sphere of production in relation to the way capital subsumes unwaged work in this sphere is important and desirable; however, the question is: is it necessary for this understanding to assume that there must be creation of value outside the sphere of production?

Let us consider first the relation between antagonism and the subsumption of labour by capital within production. Productive labour has a double nature, as work that is aimed to make something or have some specific effect (concrete labour), and as the creation of value (abstract labour). This double nature of labour is the fundamental character of labour in the capitalist mode of production. Since the capitalist's aim of production is the valorisation of his capital, for him production is principally an extraction of abstract labour, a creation of value. This aim, and the movement of value, as Marx explains in *Capital*, implies the subsumption of the concrete practice of labour, the despotic organisation and command in production, the fragmentation of its tasks, its rationalisation, etc. The capitalist subsumption of labour *in its concrete aspect* implies, from the point of view of the worker, boredom, exhaustion, misery, pain, - the character of alienation and coercion of work then implies as a necessary consequence the worker's reaction against it.²⁵

²⁴ Likewise, Harry Cleaver maintains that society today is 'one great social factory' where 'all activities would contribute to the expanded reproduction of the system'. And where even leisure is shaped by capital so that what we may do for our own recreation serves to reproduce us as workers for capital, i.e. as labour power (pp. 122-123). Similarly, for De Angelis today 'capitalist work... can be imposed in a variety of different forms including, but not limited to, the wage form' (p. 122).

²⁵ Abstract labour is the other aspect of labour and it has also a role in class antagonism, as it manifests itself as the wealth and power of our employer and in capital (the world of money), alien and hostile to us;

The concrete activities (concrete labour) that are done outside the sphere of production can be subsumed and shaped by capital too. The fundamental mechanism for the subsumption of activities outside the sphere of production is their commodification. For example, since a further education course can only be run with money, it is more likely to attract finance if it shows to be 'useful', i.e. to make people more 'useful' to capital (or to a sponsor). This influences the nature, aim and quality of the courses and tends to relate them to the needs of capitalist production in general (or the needs of their sponsors). Capital also shapes the form of the course besides its content, since the need to pay for hiring staff, renting premises, etc. will impose pace, deadlines, organisation, which will make the college more like a workplace. The concrete subsumption of the course is then likely to imply haste, boredom, and antagonism in the experience of the student. This antagonism can be explained without necessarily assuming that the work of these students is a creation of value.

The family is shaped by capital, too. The individualisation brought about by bourgeois relations of exchange means that it is the value we own as individuals, not our role in a social structure (family or extended family), that is necessary for the satisfaction of our needs and our social recognition. The family wage, paid by the employer to the male chief family income earner, becomes the economic basis for a patriarchal despotism which is intolerable within bourgeois relations - and the direct relations of the family then become real obstacles to individual freedom.²⁶ If on the one hand the stability of the family is useful for the running of capitalism, on the other hand, the same relations brought about by capital itself imply antagonism to the family as a direct social relation. This antagonism is explained without having to demonstrate that these family relations are hidden waged-work relations.

Housework is shaped by capital, too. Once time is measured in terms of the money it is worth as hourly wage, every hour spent in the kitchen acquires the character of a... *negative* hourly wage, which is as real for the woman insofar as her possibility of earning a wage outside home is real for her. Confusing the two different facts of earning a wage and producing value, Fortunati manages to analyse the phenomenon described above as the creation of a negative value, a 'non-value', i.e. a value that capital does not reward.²⁷ What is interpreted by Fortunati as the creation of non-value is in fact something substantially different. It is the result of the fact that capital imposes the form of waged work on non-waged activities - in this case housework - through the 'natural' need to earn a wage and own money as individuals. The imposition of capitalist temporality extends itself from the immediate production process to the rest of non-productive

activity.²⁸ Thus the character of housework is made to conform with that of *any* waged work, either productive or unproductive.

Let us look at the concrete aspects of this imposition. The time attracted by waged work outside home will impose quality, form, pace, to housework, shaping it concretely. The more capital subsumes housework, the more it will require the purchase of appliances (washing machines, food processors...) in order to free time for productive work; the more the kitchen will look like a science-fiction 'factory'; the more the work in it will have the pace of a workplace; the more boring, unskilled, and alien the work in the kitchen will become - just the evening chore of turning the microwave on and heat up some pre-made food. Again, it is the concrete labour of housework that is shaped by capital, and this will imply coercion, boredom, and misery.

Thus capitalism can affect any concrete labour in society, and generate antagonism also where no value is actually created.²⁹ If we consider the interrelation of abstract labour, concrete labour, value and its laws, with antagonism (i.e. objectivity and subjectivity) we can have a 'theoretical framework' to explain the various struggles of the dispossessed without any need whatsoever to demonstrate that every proletarian must produce value. Although Autonomia had the great merit of having highlighted the reality of the subsumption of society and its relation to class antagonism, this relation is not so straightforward as an equation antagonism = abstract labour (value).

Let us now consider the difference between the above Autonomist approach and that attempted in *The Arcane of Reproduction*. To the students in movement, someone like De Angelis would say: 'It should be clear for us theorists something that is true in your real experience: the fact that you are in movement against capital because, although you are unwaged, you are subjected to capitalist work, and to the boredom and pain it implies'. The students *feel* the real effects of a real alienated 'capitalist work'; they do not need De Angelis to tell them that they do alienated capitalistic work. The students really *feel* antagonistic, because of their real experience of alienation; they do not need De Angelis to reveal anything to them in order to give them a space and aim for struggle. Only, De Angelis tells the Marxian world that they ought to describe the students' work as it is really experienced by the students and as it is really shaped by capital: i.e. as a waged work, if they want to understand the roots of the students' class antagonism. Whatever

and it is related to the exertion of concrete labour by concretising itself as the capital that imposes it - but it is not the same as the concrete labour, the labour that we experience as boredom and pain.

²⁶ Likewise, Negri in *Empire* criticises the family wage as it allows capital to control the wife through the husband as a mediator (p. 403).

²⁷ For the great confusion made by Fortunati in this subject see the Conclusions.

²⁸ For an interesting discussion on capitalist temporality see Moishe Postone, *Time, Labor, and Social Domination* (Cambridge University Press, 1996).

²⁹ It is important to notice that, in order to demonstrate that activities or work outside production create value, De Angelis looks at their *concrete* aspects (that cause pain and boredom). Fortunati likewise often looks at *concrete aspects* of housework and/or prostitution in order to argue their role in value creation - for example, she assimilates housework and prostitution because of the fact that they share the concrete sexual act; or she looks at concrete activities of the housewife in her 'working day'. Is however looking at the concrete aspect of work in order to deduce its aspect as abstract labour a deeper insight in Marxist theory, or a theoretical mistake? In order to understand whether a work creates value, which is an abstraction, a manifestation of our social relations, should we not abstract from its concreteness and consider its role in a mechanism that mediates our social relations?

its theoretical problems and incongruities are, this analysis still has a moment of truth in the understanding of capitalism as class struggle.

But Fortunati does not say this! In the case of housework she claims: capital has contrived to 'camouflage' the woman's work as a non-waged, non-productive, non-factory-like work 'to reduce the space for struggle against it' (p. 110; see also p. 108).³⁰ To the housewife, Leopoldina Fortunati would say: 'you cannot find the space for your struggle against capital because capital has duped you into believing in appearances'. But Leopoldina Fortunati is there to reveal the 'reality' behind these 'appearances' and removes the ideological hindrances on class antagonism.

One of the strengths of Autonomist Marxism is the way it links an everyday *experience* of antagonism (boredom, hatred of work, conflict with our bosses, etc.) with a theory of how capitalism functions. Autonomist Marxism generally has intuitive appeal - it seems to capture and explain how we experience the world and why we fight back. By contrast, Fortunati's account creates a sharp divergence between the world of experience ('illusion') and the real world of capital and its needs (which only the intellectual like Fortunati can reveal). This is only exacerbated by her excessive use of jargon and avoidance of 'everyday' language in relation to Marxian theory.

The dialectic of capital as despotism and bourgeois freedom

In the previous section we acknowledged the importance of the Autonomist argument that human activity in society can be subsumed by capital, and that this subsumption entails antagonism. We appreciated that this understanding is a moment of truth in the understanding of capitalism. Yet we have also seen that this does not necessarily imply that attending a vocational course, hoovering, making love, sleeping, smiling at a parent, etc. are productive labour for capital and create value.³¹ In this section we will see that there are in fact differences between these activities and those done within a wage-work relation, and that a view of bourgeois society as simply a social factory misses out a dialectic understanding of capital. Indeed, when the conception of society as a 'social factory' was used as a polemical device, it had some poignancy; but its overliteral use as a theoretical model for capitalism is too drastic and reductive.

There are in fact important differences between waged work and reproduction 'work', in the way the 'command' is given to us and how it relates to class antagonism. In the workplace, we are subjected to explicitly imposed orders, and we obey them consciously. Also, what we do is never 'for ourselves', but it is done for the sake of our employer's business. The subsumption of our activity and of our aims, as well as the subsumption of the result of our activity and aim, is a real subsumption.

Outside the workplace we are 'free' to choose what to do, and how to do it. And we do what we do 'for ourselves'. However, this freedom hides an *indirect* command of capital: in a world where 'what I as a man cannot do, i.e. what all my individual powers cannot do, I can do with the help of money' every need becomes necessarily subordinated to the need to play along with the market and its laws.³² Even leisure is conditioned by what we can afford, both in terms of money, and time, since time is money. If we are in a position to spend time and resources in leisure and/or education, we may tend to spend more time in leisure and/or courses that are useful to improve or maintain our capacity to earn a wage. The mind exhaustion implied by alienated labour is likely to dictate the mindless and alienated quality of leisure - after a day's work our brain cannot sustain more than a boring and non-involving night in front of the TV, for example. All this, is *really* 'enjoyed' 'for ourselves', and we do it with our free will, but it implies our subjection to the law of value.

This command is indirect in the case of the family: it is for the sake of an economic income that both husband and wife act of their own free will. Of his free will, the husband will sign a contract with an employer and will submit himself to the despotism of production for most of his active day. In the same way, of her free will, the wife will try her best to manage their home so that the husband will be able to go and earn the money they need to live.³³

The internalisation implied by commodity fetishism means that activity or work outside the sphere of production is a special 'work' in a special 'factory', where the 'worker' is the 'foreman' of himself.³⁴ In this special factory the command of capital is the *opposite* of the despotism, organisation and discipline of any other factory: it is a command based on freedom. This situation implies contradictions. Paradoxically enough, the command which I impose on myself is indispensable for my submission to

³² Karl Marx, *Economic and Philosophical Manuscripts*, in *Early Writings*, London: Penguin Books, 1975 p. 378.

³³ Housework keeps the cost of labour power low, especially if the housewife is encouraged to employ 'home economic' means to get the most (commodities) out of the family income. The employment of 'home economics' is understood by Harry Cleaver as work, or discipline, imposed on women by capital in order to increase the surplus rate of profit (Cleaver, op. cit., pp. 122-3). But this interpretation neglects the fact that the housewife sees the need for saving money as something that she freely does 'in her own interest'. Indeed, in bourgeois society what is experienced as free will is something paradoxical, because we really do experience this freedom, but this same freedom is one with the capital domination of our life through the market. Calling this mechanism a 'blackmail of the market', or the imposition of a coerced work, as De Angelis and Cleaver do, does not help to demystify the 'mystery' behind the commodity form and value, their apparent naturalness.

³⁴ Commodity fetishism is *not* an illusion or an ideological mystification but something having a material reality: 'To the producers... the social relations between their private labours appear as *what they are*, i.e. they do not appear as direct social relations between persons in their work, but rather as material relations between persons and social relations between things' (Marx, *Capital*, London: Penguin Classics 1990, pp. 165-166.) About this important point see for example Geoffrey Pilling, *Marx's Capital*, London: Routledge & Kegan Paul, 1980, pp. 169-173.

³⁰ And she adds that if the real nature of the system of reproduction as a factory were made explicit the entire system of reproduction would fall into a crisis (p. 114).

³¹ 'Smiling at parents' is the most utterly ridiculous example of 'work' done for capital within the family as a 'labour-power-factory'. In Fortunati's words: 'even a newly born child reproduces its parents at a non-material level... when it smiles for example... producing a large quantity of use-value for its parents.' (p. 128).

the explicit despotism of capital in the workplace - how would the capitalist keep me in the workplace, if I did not see my job as in my own interest? My unfreedom, my forced labour, my painful experience of being despotically commanded within production is then one side of the same coin of my bourgeois freedom outside production. A theory that sees the working class only as a chain gang forced to work under a despotic command misses that other face of capital, our domination that is one with the naturalisation of the economy, of the necessity to exchange as an obvious and inevitable condition of life - the 'arcane' behind the fact that we reproduce capital with our 'free' actions and 'free' choices.³⁵

To summarise: even if the Autonomists argue correctly that capital subsumes all society within or outside production, this does not mean that all activities are the same, and that society is a mega factory. This view is not useful, since it does not explain the differences. It is really more useful to consider the two dialectical aspects of capital, as despotism-of-production/freedom-of-exchange, and consider them in their interrelation.³⁶

In the next section we show how this undialectic approach to capital can lead to politically dangerous consequences and consider Leopoldina Fortunati's case.

Consequences of the undialectical conception of capital as 'just imposition of work'

We have seen that the Autonomist understanding of capital as 'imposition of work' stresses only one aspect of capital, that of discipline, organisation, despotism. This means that the other aspect of capital, the freedom to exchange and own your own value in the sphere of circulation is not spelled out.

This undialectic approach allows for two possible theoretical understandings. One, clearly followed by Cleaver and De Angelis, is that of *incorporating* the latter aspect of capital in the first, even if they are opposite. In order to force two opposite dialectic aspects into one 'imposition of work', the concepts that describe this imposition (work, command, foreman, etc.) must become extremely abstract - as this is the only way to give the same name to opposite situations! For example, if we abstract enough the concept of 'foreman', we may argue with De Angelis

that the market is the 'foreman' of the freelance lorry driver, in the same way as a foreman is for the blue-collar worker. This is true, but in such an abstract way that our theory becomes as useful as Hegel's notorious black night where all cows are black: if value is produced anyhow; if anything is productive work; if antagonism is anywhere; if anybody who is under the pressure of a foreman even when he is not because the market can be called a foreman; what does all this clarify or explain besides being only a moralistic statement that we are all 'dominated' by capital? However, this approach still maintains a criticism of capitalism as a whole and a revolutionary attitude towards bourgeois relations.

But there is a second understanding that is possible once the opposed aspects of capital are not both spelled out: one that takes only one side of the dialectic, and considers capital just in its aspect of despotism, of 'imposition of work/ coercion/ discipline'. The other side of capital, bourgeois freedom, whose experience is rooted in the freedom to exchange, choose, consume, etc., is simply perceived as a force that potentially opposes the despotism of capital and which is potentially liberatory.

Negri and Hardt seem to have adopted such a vision of capitalism as simply the imposition of a 'disciplinary regime' over both the spheres of production and reproduction.³⁷ In *Empire* they describe the present class struggle as the antagonism between the so called 'multitude', a multicultural mass of individuals, who want to be free to 'flow', and a despotic power (Empire, or 'all the powers of the old world') which tries to impose 'disciplinary' local conditions on the proletariat (pp. 212, 213, and 400). They admit that this 'free flow' is forced on 'many' people by 'dire circumstances' and that its effect 'is hardly liberatory' in itself (p. 253). Nevertheless for them it is the liberal spirit and the abstract desire for freedom that this 'free flow' represents or suggests that what counts: mobility 'always expresses... a search for liberation... the search for freedom...' (p.212; p. 252). Thus for Negri and Hardt migration is 'a powerful form of class struggle' (p. 213).

Yes, people want to flow. And the governments try to regulate their flow. Thus flowing seems to be something inherently subversive. But people want to flow where they think they can sell their labour power dearer or, simply and desperately, find any possibility of income even at the price of selling their labour power cheaper.³⁸ With the analysis of De

³⁵ An extreme case of an unwaged 'work' subsumed by capital is the way the so-called 'Anti-Social Behaviour Orders' (ASBOs) are enforced by the UK State against youngsters who graffiti or roam in the gardens of their neighbours and knock on their doors. Enforcing these orders, which means sending a child to jail, would be economically impossible for the UK State. The State cannot afford to pay the police to monitor twelve year olds hassling their neighbours: the only way the ASBOs are enforced is through the collaboration of neighbours, who then 'work' for the State as guards and police for free. They do this to protect their private property. Sure there is a blackmail behind their unwaged work: the imposition of the commodity form makes everybody dependent on the little private property they own, and this divides the class and fragments the proletariat into individuals, enemies of each other and loyal to the bourgeois order. But (unfortunately) this blackmail is subjectively felt as a 'natural' condition, not as coercion, and it would not induce antagonism in 'alienated workers', who are 'coerced' in this 'boundless' job.

³⁶ These two opposite aspects of capitalism are discussed by Marx in *Capital* (op. cit., pp. 470-480).

³⁷ For example on p. 248 they say that the history of the modern era ('modernity') is basically substantiated by 'imposition of discipline' - a concept that is theoretically not well defined, but emotionally attractive to the intellectual (liberal) reader. Money is a tool to impose discipline too: the monetary mechanisms, they complain on page 346, 'are the primary means to control the market'. Should we be really morally outraged along with Negri and Hardt that the market is controlled by a despotic mechanism, or is it more intelligent to consider how the whole system of power in capitalism is rooted in free relations of exchange?

³⁸ While Negri and Hardt make a distinction between the 'freedom' of this flow and the market, this distinction is based on the fact that, unlike the free flow, the market is 'dominated by capital' and 'integrated' into the logic of its 'imperialist command' (p. 363). But, as we explain in the main text, it is the ideally pure freedom of the market (the same freedom that is behind the 'free flow') that what substantiates the opposite of freedom, the despotic side of capital - thus the distinction made by

Angelis or Cleaver previously discussed in mind, we would rather understand this flow of the unwaged as imposition of work outside production, and not as something subversive in itself.

The freedom of the labour market underlying the workers' mobility is in fact a contradictory face of capital, the other face being exploitation, xenophobic harassment, state control, the destruction of traditional peasant production in many areas of the world by the market etc. The same contradictions that arise from the dynamics of capital and from the freedom of the market are thus material preconditions for the constitution of movements of self-organisation and solidarity among the dispossessed. So it is not so much the present blind, random, individualistically spontaneous freedom-to-flow-for-the-sake-of-an-income that has to be celebrated as a 'powerful' example of class struggle. Rather we have to celebrate the opposite: the rediscovery of a human reality of direct relations that comes out not from the flow in itself but from the struggles of the migrants.³⁹

Coherently with their uncritical view, the political action of the 'multitude' for Negri and Hardt must pivot around the demand for the recognition of civil rights within a system of uncriticised bourgeois freedom. The main demand that should unite the 'multitude' against capital is in fact that of the recognition of *full citizenship* (p. 400) and *guaranteed income* (p. 403). Crucially, for Negri the moral entitlement to citizenship and guaranteed income lies in the fact that each of us 'produces' and contributes with waged or unwaged 'work' to the power of capital.

A similar direction is taken by Fortunati. On p. 24 she explains that bourgeois freedom is illusory. And she always uses apostrophes around the words 'free' and 'freedom'. We agree with this, do we? We agree because we know that our bourgeois freedom is one with bourgeois relations mediated by exchange, thus with our fragmentation and with the objectification of our social relations as value and capital and the consequent power of capital over us... Well, forget it. This is not the issue for Leopoldina Fortunati.

In fact, for Fortunati exchange is apparently an existential, universal and ahistorical condition of humanity since the pre-capitalist past: the relation between people in the past was in fact a form of exchange, if not of money for commodities, of 'work for work' (e.g. p. 27); and value was the fundamental measure in human relations and a measure of human priorities in every form of society, since as she said, in the past we 'had value' insofar we were slaves, thus exchange value. Value as measure of worthiness was a universal and ahistorical feature of humanity! Also, Fortunati calls all interpersonal relations 'exchanges' and

claims that 'equal opportunities for exchange' 'seem to offer potentially more equal opportunities' (which appear as something desirable). But, she adds, this freedom of exchange is obstructed and fettered by capital as *production*. Let us look at this in detail.

For Fortunati it is capital-as-production that shapes the form of the family and obstructs the free relation of exchange among individuals - and it is this (not exchange!) that is the very reason for the fragmentation of individuals within capitalism:

It is this reduction of interpersonal relationships to relations of production (i.e. the family) that underlies the growing isolation of individuals within capitalism. The individual becomes isolated not only from outside society but also from other family members with whom he/she has a relation based on *production* and not on the individual him/herself. (p. 25)

Capitalist production, which is said to be one with the male-woman relationship in the family, negatively affects other 'exchanges', like those between gays, and make their *potential* for liberation, for an 'escape', difficult or in vain:

The development of various alternative exchanges (lesbian, gay male, communal, etc.) seems to offer *potentially* more equal opportunities for exchange, but at the social level the male/female relationship is so influential that in practice it is difficult to modify or escape from it, to create a more equal relationship between those exchanging (p. 34).

Freedom of choice and exchange, which is the good thing that capitalism offers to 'each individual', is illusory only because the family as a nucleus of capitalistic production binds the individuals and limits our 'real opportunity for individual relationships' - i.e., limits the perfected bourgeois freedom based on exchange among individuals:

Thus while capitalism... offers each individual great freedom of choice with whom to exchange within the relations of reproduction, it is illusory, because [due to family relations] this 'freedom' is matched by minimal real opportunity for individual relations (p. 25).⁴⁰

For Fortunati then, 'capital' as production is an evil entity that faces us - facing capital's and the family's despotism, we, as individuals, strive to develop 'alternative exchanges' and look for 'opportunities' for exchange. Capital wants to control our 'free' movements, choices and exchanges in order to compel us to work within authoritarian relations and one of the ways to do this

Negri and Hardt hides their uncritical attitude towards bourgeois freedom and bourgeois values which we discuss in the main text.

³⁹ Negri and Hardt admit that their so celebrated celebrated mass mobility is 'still... a spontaneous level of class struggle' (p. 213-214); however, they cannot think of a future struggle in which this magic spontaneity is abandoned and where we will gain direct and conscious control over the world and ourselves. The only way for them of thinking of an organised struggle that still preserves the spontaneity of the masses is that of theorising the necessity of 'a force' capable of drawing from the 'destructive capacities and desires' of the multitude and organising the struggle. This in a sense is the theorisation of a separation that we want to overcome in a revolutionary movement and it is for us as exciting as... Leninism.

⁴⁰ In Fortunati's jargon, 'freedom to whom to exchange' implies sexual freedom, but this is related to an economic concept of exchange. So what Fortunati really means here is: 'the form of the family does not allow us to swap partners freely as soon as we find a potential for a more *profitable* exchange'. By saying this Fortunati equates marriage or sexual partnership with a simple economic transaction, a job contract, not dissimilar in this from bourgeois philosophers, such as Kant! (See for example pp. 57-67) Thus the idea of sexual liberation is here one with the idea of a perfectly liberal economic market for human relations. Notice also that Fortunati's jargon ('equal relationship', 'real opportunity', 'freedom with whom to exchange') can be easily shared by an American Express top manager.

is through the family. This is why 'freedom' in our system is illusory! And this is why she puts quote marks round the word!

We may agree on the one hand that the individual freedom offered by capitalism, which is liberatory from the constraints of the past, is the carrot of this system whose stick is production - and none of us would sacrifice our bourgeois freedom to go back to a suffocating Medieval social relation. But on the other hand if we want to make a coherent criticism of capital as production, we cannot and must not avoid considering its aspect of bourgeois freedom, the freedom of exchange, as an integral part of capital and of its power over us. It is wrong to separate the two aspects and oppose production to bourgeois freedom, or assume exchange as an ahistorical condition of life.

Fortunati's stress on equal opportunity for women and lack of equality between men and women is ambiguous too, since her arguments seem to pivot on the recognition of us as 'value' in a moral sense in relation to our role as value or non-value-creating for capital.⁴¹ Although admitting that everybody, both men and women, are exploited in capitalism, Fortunati complains that 'under capitalism men and women are not exploited equally' (p. 39), and that the housewife is not a 'value' within capitalism: 'unlike the male worker... [the housewife] is posited as non-value; she cannot obtain money for her work, she receives no wage in exchange... *she cannot hold money...*' (p. 37) And that, within the family, the housewife and her husband 'enter into relation... *without equal rights*, therefore not equal in the eyes of the law.' (p. 39).⁴²

The one-sided vision of capitalism as production, as opposed to the potential real opportunity for equality and freedom of exchange, has consequences when it comes to analysing 'class struggle', as a 'refusal of (any) work', a refusal to have anything to do with capital as production and despotism, but still within capitalism as far as exchange and consumption of commodities are concerned. In fact for Fortunati a major demand against capital is that housewives should 'be allowed to consume' (p. 76) - so major that, in Fortunati's perception, such a demand 'would

⁴¹ Marx says that 'the more value [the worker] creates, the more worthless he becomes' (*Economic and Philosophical Manuscripts*, op. cit., p. 325), but he means that in capitalism the dispossessed are worth nothing when a question of choice or priority is considered, not that, in the transition from pre-capitalist to capitalist modes of production he has lost some (monetary) value! Rather, precisely in the fact that in capitalism value becomes everything and we become nothing (unless we are worth some exchange value, or better, unless we have exchange value in our pockets) Marx sees the ontological inversion of capital to humans. By complete contrast, Fortunati uncritically accepts the bourgeois concept of a human value which is embodied and expressed by exchange value, to the extent to claim that the individual in capitalism has lost the (money) value he was worth when he was a slave - because, at least then he had value by being a *commodity*! This (mad) idea assumes that commodity relations are the only imaginable human relations and that (exchange) value is ahistorically pivotal in human life. By assuming this Fortunati does the same 'Robinsonade' that Marx criticised in the classical political economists which amounts to a covert assumption of the naturalness of the present social relations.

⁴² Before saying this, she quotes Marx, who speaks about the formal equality of the worker and the capitalist in front of the law in the sphere of circulation, but it escapes from Fortunati's understanding that Marx wants to highlight the paradox of bourgeois equality and freedom, not to make an *apology* of it.

free everyone, not just women, from the iron laws of the *production* of surplus value' (p. 76). While production is capital, consumption is something against production and against capital!? Proletarian shopping, as the reclaiming of our 'right to consume' without paying is revolutionary indeed - but only within a movement that has consciously put the same concept of bourgeois exchange into the dustbin of history, not one that uncritically retains it!

In Fortunati's undialectic vision, capital becomes a subject that imposes production and repression on us, who are free from capital if we 'refuse' this discipline, if we step 'outside production'. Capital totally incorporates us insofar as we are labour power and work for it, or we are totally Autonomous from it if we refuse its discipline. Within a view that focuses on the aspect of production and neglects the contradiction of capital as despotism *and* freedom of exchange, there is a risk of developing an uncritical attitude to what is 'outside' production and imposition of discipline. This also appears to be true for Negri. In *Pipeline Lettere da Rebibbia* Negri praises the rebellious attitude of those who in the '70s avoided a job in industry to find a niche in petty bourgeois semi-legal activity; and of those who got a second job outside their main job in industry. Negri called this a 'reinvention of daily life' (p. 32).⁴³ Consistent with this, in *Empire* Negri celebrates 'dropping outs' and refusals of work done 'in every way possible' (p. 274), without any criticism of context, aim, meanings or outcomes of these dropping-outs.

Fortunati too praises examples of 'refusal of work' without any critical insight. On page 146 she says that 'the fall in the birth rate is in part a direct expression of the refusal of the female housewife to take on the extra housework that children require'. A refusal of having children can have many meanings including being part of an anti-capitalist struggle, but it can also be the result of the naturalisation of bourgeois relations of exchange, and of the domination of value over our lives: millions of women have refused to have children in order to become full-time wage slaves.⁴⁴ What is interesting is actually to consider how this fact is contradictory for capital, and how these contradictions act within it.

The most noticeable example of Fortunati's compartmentalised vision of 'refusal of work' as struggle-against-

⁴³ A 'Milanian Anonymous' ultra left pamphlet criticises Negri's assumption of working class 'Autonomy' by considering uncritically the 'immediate subjectivity... of the individual *as immediately given*' within the conditions imposed in capitalism. Thus as they say for Negri 'Autonomy' and 'self-valorisation' of the individual are considered within the limits of what exists, 'for his "free" submission to the capitalist society'. (Anonimo Milanese, op. cit. pp. 64-65, our translation).

⁴⁴ Against the trend for women flooding on to the labour market any appeal to traditional values and moralism cannot work on its own. This is why the right-wing party Forza Nuova has to take into consideration the reality of commodity fetishism and propose a *wage for housework* in order to counter-balance the attractiveness of a proper wage. Their political manifesto says: 'Proposals at the legislative level: ... the demographic growth must be encouraged with subsidies for every child and with further subsidies for the families with more children... female housework must be paid with a family cheque, to discourage work outside home.' (<http://www.tmcrow.org/mw4k/antifa/fn.htm>, our translation).

capital-by-default is the following: for her the wave of abandonment of children that was caused by the employment of women in large scale industry is as an example of 'women's' indiscipline' and their 'refusal... to take on the extra housework that children bring' (p. 171). Against Marx who called this phenomenon an 'unnatural estrangement between mother and child' (p. 172) she launches a feminist attack, since is it not egalitarian to attribute parental affection to women as 'natural': 'here', she says, 'Marx himself is blinded by capitalist ideology' (p. 172). But in her feminist passion, Fortunati does not understand that here Marx speaks about a fundamental feature of capital as alienation: the ontological inversion that makes money everything for the bourgeois individual and the individual as person nothing. When the real need to earn a wage becomes more important for your survival than your own child, capital has completed the ultimate disintegration of society into alien individuals, obstacles to each other's happiness, submitted to capital as wage earners for all our needs and desires.

Against capital as the unity and opposition of despotism and bourgeois freedom, a revolutionary movement can only challenge both production *together with* the relations of free exchange, private property, and the whole construction of our dispossession. The process of defetishisation of value and capital is the real abolition of a material social relation, of exchange; and thus the *real* repossession of the control over our lives, 'the complete restoration of man to himself as social - i.e. human - being, a restoration which has become conscious'.⁴⁵ In the struggle direct social relations will necessarily abolish the mediation of social relations through market relations. Only within direct social relations will value be abolished and the real individual, who is himself because of who he is and what he does with the others, and not because of what he has in his pockets, will be confirmed. Only within direct social relations what the individual works towards, i.e. the whole of his conscious activity, will be *one* with his result. And this is real freedom, because if we desire or dislike something we are really able to consciously work towards achieving it or changing it, since nothing will rule over us despite us and behind our backs.⁴⁶

The nature of labour power

The above leads us now straight into the core of Fortunati's work: her original 'demonstration' that housework produces value. In fact, it is not a demonstration, but simply, the declamation of a 'truth' based on an initial assumption that labour power is 'a commodity like any other' (p. 19). If this is the case, labour power *must* contain value, as the crystallisation of the abstract labour expended by its producer. Thus the labour of the housewife, the producer of the labour power of the chief wage-

earner of the family, *must* be abstract value and must create value.

There is a general tendency in Autonomist theory to gloss over the nature of labour power as a special commodity different from others. For example in *Reading Capital Politically* Cleaver treats labour power in the same way as other commodities, (food and energy) without any specification. In fact, after having discussed labour power, he says: 'let us now turn to food as a commodity and apply *the same approach*' (p. 101). Surely, this does not mean that Cleaver does not know that there are important differences between food and labour power as commodities - it means only that he neglects the relevance of these differences for a 'political reading' of *Capital*.

Fortunati is surely more 'complex' than Cleaver. By maintaining that, as far as its content in value is concerned, labour power is like all other commodities, she admits that it is nevertheless a special commodity, but only because:

Its use value is produced and consumed separately from its exchange value; its use value is produced within the process of reproduction and consumed within the process of production; its exchange value is produced within the process of production and consumed within that of reproduction (pp. 78-79).

But this 'complexity' does not touch upon the real reason why labour power is a special commodity, and it is precisely in the fact that it cannot contain value as the crystallisation of abstract labour! Let us see why.

In order to exist, capital needs a precondition: the material dispossession of the producers from the means of production. What does this dispossession mean? That I do not have the means to produce what I need. Because our relations are mediated by the market, the way in which our dispossession manifests in our society is precisely the fact that as proletariat we cannot produce value by ourselves, a fact that appears to Fortunati intriguingly contradictory.

Dispossession of the means of production is a specific feature of wage-work relations. In previous modes of production, a shaman or a hunter was one with his herbs or weapons. There was no such a thing as a shaman without her herbs or a hunter without his arrows 'looking for employment' because a shaman or a hunter were not under waged-work relations. In capitalism, where the wage-work relation is the base of production, the unity of man and his activity is split into: *labour power* on the one side and *capital* (the result of human activity turned against the human) on the other. In contrast to the shaman, a baker without an oven cannot make cakes. The baker has the labour power, the faculty of making cakes, but if the oven is the private property of someone else, the baker's faculty is suspended in the air. It is useless - unless it is reunited with the oven. But this reunion can be possible only if the capitalist, owner of the oven, hires the baker, and only through this reunion can value be produced. The value that the baker then subsequently produces will belong to the capitalist, the owner of the means of production, as his capital.

This dispossession is even more striking if we think that our same skills are shaped in order to be useful within a capitalist process, and find no reason of existing outside it. Bakery is still

⁴⁵ Karl Marx, *Economic and Philosophical Manuscripts*, op. cit. p. 348, punctuation slightly changed.

⁴⁶ This does not mean that one should not recognise liberal struggles (as well as struggles in the workplaces limited to higher wages) as being expressions of the contradictions of capitalism and containing potentials for development beyond the conditions that cradled them; but one needs to understand both the contradictions that give rise to these struggles and the inner contradictions of these struggles.

an example of a traditional craft, whose skills have been defined within a non-capitalistic context. But if we think, for example, of the skills of working with a computerised spreadsheet, we can understand how tragically our skills are not only useless but even *unimaginable* without capital.

In a society based on exchange, the fact that our dispossession obliges us to hire ourselves to a capitalist for a wage takes the *form* of commodity exchange, of a purchase and sale of labour power. This is why labour power is not a commodity like a cake, but just the way our dispossession and our exploitation by the capitalist appears, and the expression of the ontological inversion that makes capital enrichment, knowledge, science, creativity and us the opposite of all this: nothing without capital.⁴⁷

This is why saying to the proletariat, as Fortunati does, 'All right mate, you cannot create value but considering everything, is not the result of your reproduction a commodity and a value? Is not your labour power a commodity like any other?' means just taking the piss out of our real conditions. The very existence of labour power, of a 'capacity for producing' helplessly separated from the possibility of its realisation as production, is *one* with the very fact that we cannot produce anymore by and for ourselves, but we can produce value only as appendages of capital. It is one with our experience of alienation both in production, in our relation with our products, and in any other activity shaped by capital.

If we want to scream the truth, we have to scream that we are dispossessed, that we cannot create value with our reproduction, and that labour power is *not* a commodity like any other. These are aspects of the same truth: of our condition as proletariat! The idea that we produce labour power in the same way as the independent baker produces cakes to sell is a petty-bourgeois delusion, and not a contribution to revolutionary theory at all.

Invisible value

Thus Fortunati starts with a mistake, the assumption that labour power is 'a commodity like any other', that it must consequently carry some value created by the housewife. Starting from an initial mistake, it is no wonder that a theory is bound to be contradicted by facts: Fortunati's theory clashes with the fact that the exchange value of labour power does not reflect any housework-created value at all. But for Fortunati, this is not because there must be something wrong in her assumptions, but because of a hidden peculiarity of labour power, *that it can contain invisible value*.

In fact, for Fortunati, labour power is such that its value and exchange value are related to totally different mechanisms, this giving value the possibility of having invisible contributions that are not reflected in exchange value. While the exchange value of labour power accounts only for the value of the means of subsistence consumed by the worker and his family, the value of labour power can have a contribution on top of this, which

represents the abstract labour of housework.⁴⁸ This extra 'value' on the top has no manifestation as exchange value and no representation in terms of money: it is value in an invisible state during the exchange between the worker and the capitalist, i.e. invisible on the labour market.⁴⁹

This is an important theoretical challenge, which needs to be supported by solid arguments. But the only argument Fortunati brings about is that Marx said that exchange value and value are different concepts. However, she seems to be oblivious that in the same quote Marx says that these values are *related*, exchange value being the manifestation of value (pp. 82-3).⁵⁰

Indeed, the quote by Marx says: 'With the transformation of the magnitude of value into the price this necessary relation *appears* as the exchange-ratio between a single commodity and the money commodity which exists outside it... However... the possibility... of a quantitative incongruity between price and magnitude of value... is inherent in the price form itself. This is not a defect but, on the contrary, it makes this form the adequate one for a mode of production whose laws assert themselves as blindly operating averages between constant irregularities' (p. 83). For Fortunati this means that Marx would agree with her theory - that price could diverge from value for given, mathematically expressible, lumps of invisible value. But Marx did not say this! Marx simply means that price, a real expression of value (i.e. its 'appearance'), is realised through the blind working of the market, in which prices necessarily fluctuate around value.

There is a tragic misunderstanding here. Fortunati does not realise that for Marx the word 'appearance' means 'being a real expression of an essence'. Grossly misunderstanding this, Fortunati redefines this word in her own way (and uses this interpretation throughout her pamphlet): 'appearance' as 'being an illusion totally unrelated to a hidden reality'. Only with this misunderstanding can she claim that Marx would support her theory and agree that the price of labour power can be an illusion which hides the reality of an invisible value.

While for Marx essence and appearance have a relation, appearance being part of the same reality as essence, in Fortunati's conspiratorial understanding of capitalism the concept of appearance is banalised into the concept of a simple lie, a curtain that covers a totally different reality, a mystification and a deception by nasty capital. This means that the reality behind an appearance (the value of labour power behind its exchange value in this case) cannot be grasped through the study of this appearance. So how can we know the reality of the value of labour power, the reality behind its price? This can be found only by feminine intuition, which can neglect all the lies and 'appearances' of this man-made capitalist world.

⁴⁸ 'The magnitude of value [of labour power] is greater than the sum of values of the commodities used to produce it... i.e.. its exchange value' (p.84).

⁴⁹ When the worker sells his labour power to the capitalist, 'the housework process [which creates this value] passes over to the capitalist leaving *no visible trace*'. (p. 97)

⁵⁰ 'The fact that the magnitude of the value of labour power is not fully represented by its exchange value is not surprising because the value of a commodity is expressed in an independent manner throughout its representation as exchange value' (p. 82).

⁴⁷ See Karl Marx *Capital*, Chapters 14 and 15, for the ontological inversion of man and capital realised first with rationalisation in manufacture and later perfected with large-scale industry.

The reality of 'invisible value'

Let us see then how Fortunati proceeds with showing how the 'reality' of the invisible value of labour power manifests itself. If this invisible value does not manifest itself in the exchange value of labour power, how and where does it manifest itself then? In the *future creation* of value.

In fact, according to Fortunati, the invisible value created by the housewife is a 'value [which] raises the *use-value* of labour power, use-value being the element which *creates* value' (p. 52). What does this mean? In the case of any other commodity than labour power, one would not mix the concept of use value and value of a product (e.g. a cake as a lump of flour, butter, sugar, etc. and its value, expressed by its price). But in the case of the use value of labour power one can be tempted to mix value and use value up because of the particular nature of labour power: that of being the capacity to create value for capital. The use value of labour power is the potential creation of value, thus, the Fortunatian syllogism concludes, if something has the capacity to create value, this something must be value itself.⁵¹

The fact that labour creates value but is not value itself is a fundamental concept to understand capitalism. With the separation of property from labour, labour is posited as 'not-raw-material, not-instrument-of labour, not-raw-product... [it is] labour separated from all means and objects of labour, from its entire objectivity. This living labour [exists] as an abstraction from these moments of its actual reality (also, not-value); [as] complete denudation... stripped of all objectivity. [It is] labour as absolute poverty: poverty not as shortage, but as total exclusion of objective wealth. Or also as the existing non-value, and hence purely objective use value... labour not as an object, but as an activity; not as itself value, but as living source of value...' ⁵².

But for Fortunati if something is able to create value, it is value itself. It is an extra value, whose existence is mystified as non-value by capitalism, and which is created by the housewife. This extra value is real and already existing, in an invisible state, but it needs the work of the husband worker in his workplace to 're-transform itself' into *visible* value (pp. 95-6).

But if value is the expression of our social relations mediated by things, i.e., mediated by a social relation between our commodities on the market, how can the value of labour power exist and at the same time be invisible on the labour market? And how can the invisible 'abstract' labour time of housework be a reality? Fortunati answers: the value of labour power 'is determined by the time necessary to produce and reproduce it', because this is 'like that of any other commodity' (p.35) Is it? Not at all. The fact that abstract labour time is 'measured' by considering labour time is not true for 'any commodity' at all! Abstract labour time is not in fact the same thing as the actual labour time, that is the time actually spent doing the work. We can only speak about abstract labour only within a production process which is aimed at exchange, i.e. at the market.⁵³

⁵¹ 'While the use value of other commodities cannot constitute the measure of their value... in the case of labour power it is its...use-value that constitutes the measure of its value' - she says on p.81.

⁵² Karl Marx, *Grundrisse*, London: Penguin Books, 1993, pp. 295-6.

⁵³ As Marx found in his analysis of capital, value (and abstract labour as well) is social since it is inseparable from the nature of the

So, how can abstract housework be *only* defined by the quantity of work produced by the houseworker in the privacy of our homes, as she says on page 35? How can we 'measure' the abstract labour time of tidying up the house, vacuum cleaning, having sex, totally different concrete works, without a process of abstraction and comparison that can occur only through the market? No market, no production for a market, no abstract value. Fortunati's idea that abstract housework time can be measured by timing housework is a misconception of what abstract labour time is.

But at the very root of all these theoretical problems there is something wrong in Fortunati's basic understanding of the same concept of value. On p. 106, in order to demonstrate that reproduction work is value-producing work, she says that 'despite being individual labour, [reproduction work] is work in its immediate social form, like the work that produces commodities.' Wrong. Why is this wrong? Value is the manifestation of the way society rewards my work done for others, i.e. my contribution to the total labour of society. Importantly, this 'reward' is indirect. Production in capitalism, unlike that in the past, is a private and *not* immediately social activity, and the social relation among producers is mediated by exchange of the things they produce. Our products, then, engaged in a social relation on the market, acquire the property of possessing value, as something 'stamped upon them'. Thus the same existence of value is fundamentally related to the fact that our work, which produces commodities, is NOT immediately social. If Fortunati has no clue of the mechanism that produces value, what credit can we give to her weirdest statements about invisible value?

The real issue hidden by the theory of invisible value

The Arcane of Reproduction reproduces the arcane of housework by analysing it in a style that allows more than one interpretation. A first superficial reading is bound to appeal to the liberal feminist reader. It speaks explicitly about the inequality of men and women 'in the eyes of the law', or about questions of social power between the proletarian man and woman (p. 39). However, other parts insist that the issue is 'exploitation', that it is a Marxian issue.

But let us consider Fortunati's 'Marxian' arguments about the housewife's 'exploitation'.⁵⁴ For Fortunati, this 'exploitation' consists in the fact that the necessary labour time of the housewife 'is calculated only with respect to the male worker's working day' (p. 91). This is a bit ambiguous. What does it mean? In Fortunati's words: 'the necessary labour time supplied by the male worker already contains the [value of]... the means of subsistence of the female housewife too... [thus she] must, with her work, *re-earn* [it]' (p. 93). That is, if the husband's wage includes the means of the wife's reproduction, this implies that

commodities and of the nature (aim) of their production: 'I call this commodity fetishism which attaches itself to the products of labour as soon as they are produced as commodities... This fetishism arises from the peculiar character of the labour which produces them.' (Marx, *Capital*, op. cit., p. 165).

⁵⁴ Which she presents against the accusation of 'double counting' labour in her theory (p. 93).

with her housework the wife works *again* on top of what has already been earned by her husband during his day of work.

The fact that the housewife must re-earn some money with her work, is not the exploitation based on equal and fair exchange of wage for work that Marx discovered. It is rather an 'exploitation' due to the fact that there is something left unpaid, against the sacred bourgeois rules of fair and equal exchange. Exploitation by making people re-earn something, i.e. not paying a full honest wage, not exchanging equivalents, is the bourgeois concept of exploitation that one hears when Nike's sweatshops are under left liberal criticism.

However, if it is true that Fortunati's theory reveals that the housewife has to do a second batch of work for nothing after that done by her husband, this would be an interesting discovery anyway. Nobody has ever noticed this before, and we should now wonder whether Fortunati's theory of invisible value is really fit to expose this bad accountancy of capitalist reward of wages for work. Let us then force ourselves temporarily to adopt Fortunati's theory and check her own claim, by evaluating the necessary labour time involved in the husband's wage.

According to the theory, the housewife does some abstract labour, which materialises in her contribution of value λ_h (value from housework); and the husband worker does some abstract labour, which results in his contribution of value λ_w (value from work). According to Fortunati's instructions, 'the two valorisation processes must add up' (p.89). This means that, if invisible value λ_h is not bound to be invisible forever, it must eventually manifest as a contribution in the total value λ_{tot} (total value) of the product; or, better, in Fortunati's words, 're-transforms itself', in the final value created for the capitalist. Thus total value is the sum of the value created by housework and that created by work:

$$\lambda_{tot} = \lambda_h + \lambda_w.$$

The capitalist, who has never heard of Leopoldina Fortunati, does not know anything about the invisible value λ_h . What he thinks is that he has acquired a quantity of value λ_{tot} during the day. At the end of the working day, the capitalist gives the wage to his worker. This wage is the money necessary to maintain the worker *as worker* and his wife *as housewife*. The capitalist is aware of this necessity, and has to give up part of the value that he gained during the day - let us say for example, one quarter of it. So, the necessary labour time coincides with a quarter of the working day, that is a quarter of λ_{tot} . But, since we are temporarily Fortunati, we know that 'in reality' λ_{tot} is the sum of the two contributions of abstract labour ($\lambda_h + \lambda_w$). Thus, even if the capitalist does not see it, we see that the wage actually paid corresponds to necessary labour time, which is one quarter of the abstract labours of both work and housework:

$$\text{Wage paid} = (1/4) \times (\lambda_h + \lambda_w) = \text{necessary labour time.}$$

Now, being Leopoldina Fortunati, I would conclude: 'The necessary labour time that corresponds to the wage paid to the worker includes the necessary labour time expended by the housewife at home. This means that Leopoldina Fortunati (that is, me) is wrong in claiming that the housewife's work constitutes a re-earning. Indeed, it is clear from the formulas that the

necessary labour time supplied by the housewife *does* contribute part of the wage, thus her work at home is necessary for this earning and does not amount to a re-earning. It is worth stressing that we have just demonstrated that Fortunati's own theory contradicts her own claims.

After having enjoyed the above exercise, which showed the inconsistency between Fortunati's theory and her own claims, let us remember that it was only an exercise, and that we have already argued that housework does not produce value. Is the housewife rewarded or not by capital for her work, then, and if she is in what sense is she? Assuming that the man's wage covers the reproduction of his whole family, the male worker is paid in consideration of the existence and reproduction of himself as worker, his wife as housewife, and his children as children. In the 'generosity' of the capitalist to pay a family wage to the married and father worker, the concrete existence and activity of the housewife is taken into consideration, as well as the concrete existence of the children and their activity. We do not need the elaboration of Fortunati to see that housework is functional to capitalism, and that she, as well as her husband, is paid only for her means of subsistence while capital thrives on their lives.

Although the woman is 'rewarded' through her husband's wage and she is not a waged worker, this 'reward' has something in common with the 'reward' received by her husband for his work: indeed, both husband and wife receive money for the value of their survival. The condition of the woman may then be discussed in relation to a sound criticism of the wage form. But also in this respect *The Arcane of Reproduction* is disappointing. When the question of the wage form is considered, Fortunati deploys all her skills of complexification and renders the argument (deliberately?) obscure. For example, we read that:

In production, the elements, which are commodities, appear as such, and the process of production is the process of production; workers are labour power, therefore commodities, but they are also the working class; work is waged work; the exchange is an exchange organised capitalistically; the relation of production is the waged work relation. *Thus it is not at this level* that capital hides its voracity in the appropriation of value or the violence of exploitation, but at the level of the capital worker relationship, which is in reality a relationship based on the expropriation of surplus value, taking place in an exchange which, while appearing to be one between equals, is in fact an *exchange of non-equivalents* between non equals (pp. 20-21).

In this 'complex' paragraph we learn that it is not at the level of production that capital hides its voracity for value and not in the fact that 'work is waged work'! But in an 'exchange of non-equivalents', in 'unfair exchange'. The woman is exploited because her husband's labour power is exchanged without regard for its invisible value so that 'the capitalist buys [labour power] below cost' (p. 84).

Despite Fortunati's Marxian make-up, at the end of the day her arguments pivot around the criticism of a male-centered society where the capitalist and the worker, i.e. the masculine cross-class side of society, share the tacit assumption that the wage is just *the merit* of the male worker's day work. The problem is that it is the husband who cashes the cheque, and the woman is not 'equal to him in front of the law' and cannot 'hold

money herself. Talks of 'struggle' are eclipsed behind complaints about economic and legal inequality.

Fortunati's liberal 'reality' behind her Marxian 'appearance' seems to be connected with the main problem of the book, highlighted in Section 4 above. Fortunati cannot go beyond theorising an 'unfair exchange' because of her initial assumption, that labour power is 'a commodity like all others'; because she cannot grasp the nature of labour power as a special commodity whose (fair) exchange implies the (unfair) submission of the worker to despotism and alienation. Because she cannot grasp the important dialectic of bourgeois freedom and equality of exchange with bourgeois despotism and exploitation in production. And she cannot see that 'exchange value or, more precisely, the money system is in fact the system of equality and freedom' and exploitation is 'inherent in it... merely the *realisation* of equality and freedom, which prove to be inequality and unfreedom'.⁵⁵

Leopoldina's Mathematical skills

To finish, let us consider page 98 of *The Arcane of Reproduction*, which must have undoubtedly inspired the deepest awe in its readers. This page contains the 'calculation' of... something. But what? This is a good question indeed. Fortunati introduces these formulas by defining a quantity *p'* as 'the amount of the surplus value supplied in the processes of production and reproduction' and a quantity *P* as 'the average surplus value supplied by the single labour power' (p. 98) but then she presents a 'formula' for a mysterious quantity *P'* that has never been introduced at all. The 'complexity' of this formula is already brewing in this mysterious introduction. But let us look at how she proceeds:

If *p'* is taken as the amount of surplus-value supplied in the processes of production and reproduction and *P* is the average surplus-value supplied by the single labor-power, and if *v^a* is the total value of the single male worker's labor-power when it enters the process of production, and *V* is the sum total of all variable capital, and *f'* the value of an average labor-power, a value will be obtained by dividing variable capital by the total labor-power used directly and indirectly by capital;

$$\frac{a''}{a'} = \frac{(\text{Surplus labor} + \text{Surplus housework labor})}{\text{Necessary labor} + \text{Necessary housework labor}}$$

is the average of the degree of exploitation of both the male worker's labor-power and the female house worker's, and if *n'* is the number of workers directly and indirectly employed, then we have:

$$P' = \frac{\frac{P}{v^a} \times V}{f' \times \frac{a''}{a'} \times n'} = \frac{(\text{Surplus labor} + \text{Surplus housework labor}) \times n'}{\text{Necessary labor} + \text{Necessary housework labor}}$$

Besides the clumsy introduction (is *P'* equal to *p'*?) and the confusing use of unnecessary labeling (why *n'* instead of *n*? etc.),

⁵⁵ Karl Marx, *Grundrisse*, op. cit. pp. 248-249.

in these 'formulae' there is something more substantial than just a question of sloppiness. What is written on the right of *P'* does not mean anything in mathematical language. What is the relation between the 'formulae' on the right of *P'*, which are just piled up one on the top of the other? What is the relation between the two 'formulae' on the bottom right of *P'*, which seem to be adjacent to each other, with no clear connection? Mathematics is something 'scientifically true', black and white, only because, by its own definition and nature, it talks a language that does not leave the reader anything to guess.

But let us also look at the relation between the two 'formulae' at the bottom right of *P'*. They are separated by a mysterious empty space. Again, we are obliged to make a guess, while the founding fathers of mathematics turn in their grave.⁵⁶ Are perhaps these two formulae multiplied by each other - i.e., is there a missing 'x' sign between them? But this would mean that the mysterious quantity *P'* would be proportional to the *squares* of a rate of surplus and the number of workers - which is rather unlikely whatever *P'* is, and above all if we have *guessed* right that *P'* is surplus value. On the other hand, the two 'formulae' cannot be added, subtracted or equated (+, -, =) to each other either! Indeed, the first of the two 'formulae' contains *f'* which, as Fortunati says, is value; and (*a''/a'*) and *n'* which are pure numbers: so the first 'formula' is value. The second 'formula' contains only (*a''/a'*) and *n'*, so it is a pure number. Value cannot be added, subtracted or equated to a number.⁵⁷ So what is this relation between those two 'formulae'? The only solution of this riddle is: it is an unbelievably bad typo. Probably a whole chunk of formula (= *f' x*) has been unwittingly missed between the two 'formulae'. But this is not just a typo; it is the disappearance of a whole chunk of logical connections. It turns the whole lot into an evident nonsense, and it should have been spotted by the author.

If Fortunati had avoided 'formulae', not only would she have avoided embarrassment for their mismanagement, but she would also have missed nothing in her arguments. In fact, this use of mathematics is only a rhetorical exercise. Let us consider the logic of this formulaic mess: she claims she wants to 'calculate' the total surplus value supplied to the capitalists by both workers and housewives. In order to do this, she just takes the known expression for the rate of surplus value and feeds her invisible labour quantities into it. This is like claiming to be able to control a magic force *M*, and then, in order to convince people to believe in its existence, show them the law of Newton (*F = ma*; the force applied to a body of mass *m* is equal

⁵⁶ 25,000 Mhz.

⁵⁷ The question: 'How many apples do I have if I add one apple to five apples?' makes sense. The question: 'What do I have if I add five apples to five' does not make any sense. In order to add, subtract or equate two quantities, they must be quantities of something homogeneous.

to its acceleration multiplied by its mass) as:

$$(F + M) = ma$$

The use of a formula here does not add anything to my claim of the existence of the magical force M , and does not tell the readers how to measure it. It also does not affect the acceleration a , if we define F to be such to give the correct acceleration if added to M . In practice, this 'formula' has the only aim of giving my statements some respectful 'mathematical' decoration. Of making my readers say: 'If it is in a formula, it must be true!'

However, formula 1 looks still too readable and it is not intimidating enough. In order to sort this out, I can do a bit of cut-and-paste and here you go:

$$\begin{array}{rcl} (F+M) & (F+M') \times & \\ ma & = & (2) \\ +F & F' \times (F+M) & \end{array}$$

This is much more complex, thus more authoritative, and scary enough to deter any criticism of my magic force.⁵⁸

When it comes to 'mathematical' demonstrations, going fuzzy seems to be a general feature of the Autonomist tradition. Cleaver in *Reading Capital Politically*, page 123, offers us a brilliant example of the use of mathematics in order to complicate and even contradict, what he says in plain words. Discussing the contribution of the housewife to capital's profits, Cleaver correctly argues that housework serves to lower the value of labour power, thus increasing the value pocketed by the capitalist as surplus. This is clear, and an interesting point. But then he tries to express this point with the following unfortunate 'formula':

$$\begin{array}{l} \text{(Re)production of labour power} \quad LP \rightarrow M \rightarrow C(MS) \dots P \dots LP^* \rightarrow M \rightarrow C(MS) \dots P \dots \\ \text{Industrial capital} \quad M \left\{ \begin{array}{l} M \rightarrow LP \\ M \rightarrow MP \end{array} \right\} \dots P \dots C' \quad M' \left\{ \begin{array}{l} M \rightarrow LP \\ M \rightarrow MP \end{array} \right\} \dots P \dots \end{array}$$

How do we read this 'formula'? The cycle of production of capital, which is the second line, says that at the beginning of a cycle the capitalist invests money (M) to buy some labour power (LP) and some means of production (MP); then the worker produces (P), and the outcome of production is a new commodity C' , which is worth *more* value and is exchanged for a higher sum of money (M') than the one initially invested. This cycle repeats. The extra money, cycle by cycle, is pocketed by the capitalist as surplus value.

In correspondence to the cycle of production, there is a cycle of reproduction (first line). Let us read it step by step. At the beginning of the cycle (day 1 of work), the worker sells to the capitalist the labour power LP for a quantity of money M . With this money, the family buys their means of subsistence $C(MS)$. Then the worker's wife does some housework (P). After the housework is done, the worker finds himself to be in possession of the labour power LP^* . Cleaver states: LP^* is *different* from

LP and it is worth *less*. This means that the labour power that the worker has after his wife's work is worth less than the labour power he sold to the capitalist the day before. Fortunately this is not very bad for him because in the next cycle (day 2 of work), he is able to rip off the capitalist, and apparently sell LP^* for the same amount of money M he had received the day before when he sold LP , although LP^* is worth less... Of course, all this is just ludicrous and if Cleaver had left this 'formula' out his arguments about housework would have been clearer.

Cleaver's 'formula' also confirms the general and unavoidable curse of housework: that of having always to contribute to capital valorisation in an *invisible* way - no matter how much one twists mathematics, this value seems to be just unable to appear in numbers, black and white! The second line in the formula, i.e. the cycle of production, confirms that for the capitalist nothing has changed from day 1: on day 2, he buys the same labour power LP as the day before, whatever the amount of work done by the housewife, and he is apparently unaware of LP^* , which does not play any role in the cycle of production.

Conclusions

As we said in the Introduction, the present critique of *The Arcane of Reproduction* was principally aimed at commenting on a few questions that have been central in the Autonomist tradition:

- Does reproductive work (and in general any work outside the sphere of production) create value?
- Is the whole society a large factory where any work or activity not only produce value but are also organised as waged work?
- Can we see class relation in capitalism as the antagonism between capital, i.e. a subject that merely wants to impose (work) discipline, and the working class?

In Section 1 we explored the reasons behind the Autonomist argument that work outside the sphere of production creates value. We showed that this 'quest' for value is consistent with the Autonomist subjectivist reading of Marx's categories, e.g. value and abstract labour: if value and abstract labour have immediate meanings in terms of subjective antagonism with capital, they may be extended to explain the struggles of the unwaged: the unemployed, students, etc.

Starting from Fortunati's claim that the family is a hidden factory organised 'capitalistically', in Section 2 we explored the Autonomist thesis that all waged and unwaged work is organised by capital as in an extended factory. We acknowledged that this theorization has a moment of truth - it is true that capital tends to impose the discipline of waged work onto unwaged activity. It is true that this can explain the antagonism of the unwaged. It is also true that any disruption of reproduction or circulation is a disruption of the workings of capital as a whole - thus struggles outside the workplace can be effective against capital. However, this does not necessarily mean, nor requires as a precondition, that unwaged work must create value.

In Section 3 we discussed the way in which capital imposes 'discipline' on unwaged activity. We considered the dialectical interplay of capital's despotism within the workplace and bourgeois exchange, which regulates the division of labour and defines the horizons for individual choice and possibility in

⁵⁸ All we have available to us is the English version of *The Arcane of Reproduction*. We assume that it reflects the original Italian version.

society. We stressed that bourgeois freedom and equality and capital's despotism are two sides of the same coin.

In Section 4 we argued that *The Arcane of Reproduction* lacks this dialectical understanding. We quoted a few sentences, among many, which suggest that freedom, equality (and Bentham) are illusory in capitalism only because they are constrained by despotism and distorted by unequal exchange - an old Proudhonian idea. There is no clear attempt to explore the role of bourgeois freedom of exchange and value in capital's rule - instead, the centrality of exchange and value in human relations is uncritically assumed as natural and ahistorical. We found a similar one-sidedness in Negri and Hardt. In *Empire* the authors dream about 'republicanism', and claim that 'a kind of spontaneous and elementary communism' is possible on the basis of the already existing wealth of individual freedom and productive creativity.⁵⁹ And they denounce capital's imposition of discipline and control over this freedom and creativity. All this means is to theorise only one possible freedom or creativity: the only ones defined within the bourgeois relations *as given*.⁶⁰

Section 5 went to the core of Fortunati's own theory in *The Arcane of Reproduction*, i.e. that labour power is 'a commodity like all others' thus it must contain value as the crystallisation of abstract labour of housework. We disagreed and argued that in wage-work relations labour power is sold *as* a commodity, but it is a special commodity, different from all others - this difference exposes the inequality inherent in the wage-work relation. We argued that conceptualising labour power as 'a commodity like all others' and thinking that we all produce value means to conceptualise society as being made up of independent producers: producers of cakes, producers of labour power... and we felt that this betrayed a petty bourgeois delusion. In general, we noticed a common tendency in Autonomist Marxism to consider within the same theoretical framework labour power and other commodities (e.g. energy and food); or a tendency to conflate the despotism of the foreman on the waged worker with the pressure of the market on the independent producer.⁶¹

In Section 6 we discussed the nature of value and abstract labour and showed that Fortunati's understanding of these concepts is fundamentally flawed. In general, one may be tempted to widen Marx's original concept of value in order to embrace both waged and unwaged work (students, housewives...), or both productive and unproductive work (financial, advertising industry...), within the same 'theoretical framework'. However, it is questionable that 'labeling' everything that happens under the sun of capital as 'production of value' is a useful way of explaining how capital works and dominates.⁶²

⁵⁹ Negri and Hardt, *Empire*, op. cit. p. 294. They quote Spinoza to support this bourgeois dream of an ideally free civil society.

⁶⁰ This does not mean to dismiss struggles that may start in order to defend rights of freedom and equality, as well as struggles that may start in order to demand a higher wage - but we cannot be but disappointed by 'revolutionary' or 'anti-capitalist' theories that cannot criticise the present social relations.

⁶¹ This does not mean to dismiss threat, stress and potential antagonism that industrial capital competition implies for the petty bourgeoisie.

⁶² 'This formalism... imagines that it has comprehended and expressed the nature and life of a form when it has endowed it with some determination of the schema as a predicate. The predicate may be

In fact, the Autonomist attempt to 'valorise' all activity tends to mix up a moral conception of 'valorisation' with an economic one. The claim of a social reward which society supposedly 'owes' the unwaged because of some alleged role in 'producing value' is part of a tradition of struggles of the unemployed and housewives of the '70s which confronted their States and ended up demanding social support from them. This tradition has survived in some theorists who belonged or still belong to the Autonomist tradition.⁶³ As we discussed earlier, in *Empire* the claim that unwaged work creates value is explicitly aimed at justifying moralistically the demand for a 'reward', a 'citizen's wage', for the unwaged.

The Arcane of Reproduction contributes to this tendency and theorises that housewives are denied recognition of social and economic status within the present social relations as producers of 'value'. She cannot imagine any reality beyond that offered by bourgeois relations and cannot think or claim anything beyond this restricted horizon. This is why she claims that demanding that the housewife be 'allowed to consume' or praising parents' practice in giving pocket money to children is 'very anti-capitalist'!⁶⁴

subjectivity or objectivity, or say, magnetism, electricity... contraction and expansion, east or west, [value/non value creation], and the like... In this sort of circle of reciprocity one never learns what the thing itself is... In such a procedure, sometimes determinations of sense are picked up from everyday intuition [or political-theoretical jargon], and they are supposed of course to mean something different from what they say; something that is in itself meaningful...' [Hegel, *Phenomenology of Spirit*, Preface, Oxford Paperbacks, p. 29, our adjustments in square brackets].

⁶³ For example, De Angelis, who theorises that any coerced, waged or unwaged work creates value, is also a keen supporter of the demand 'that all of us receive a guaranteed income which is sufficient to meet basic needs' and which 'pays the invisible work of students' and other low waged and unwaged proletarians so that everybody 'have less pressure and more time to think for themselves and imagine different ways of being' (<http://www.eco.utexas.edu/~hmcleave/wk1raddem.html>). The idea of sharing the world with capitalism while creating bubbles of 'different ways of being', which is the theme of the conference *Life Despite Capitalism*, (London School of Economics, 16-17 October 2004) is in De Angelis's quote above expressed as 'imagining different ways of being' - *Aufheben* cannot but agree with this. Indeed, we think that only when capitalism is subverted and new social relations are established we will be able to create a different way of being that is not...*imaginary*!!

⁶⁴ A striking ambiguity is Fortunati's claim that the children's demand for economic support from their parents in the form of pocket money is 'a very anti-capitalist idea' because 'the children earn [this money] solely in virtue of the fact that they exist as individuals and not because they are active as labour powers' (pp. 141-2). In fact, children will get money from their parents not because they are free individuals, but because they are elements of the direct relationship of the family, which is not a relation among free individuals. Free individuals are so free to let each other freely starve, unless they exchange - and this does not apply to the children in a family. While on the one hand Fortunati complains all the time about the illiberal relation of the family for obstructing our perfected 'freedom to exchange with whom we want', it is precisely the form of the family that grants a right to the children to extract money out of the pockets of their parents with nothing in exchange! If this is anti-capitalist, it is in virtue of the clash between capitalism and an archaic form of social relationship, in the same sense that the Christian

As it was discussed throughout this article, some authors within the Autonomist Marxist tradition still retain a criticism of the commodity form, e.g. De Angelis and Cleaver. While it was important to consider that Fortunati shares themes and jargon with these authors, it was also necessary to stress their differences.⁶⁵

Only a few words about Fortunati's style and methodology. Fortunati's 'dense' style is one of the main reasons for our disappointment as readers. A text intended to present a new theory should have the quality of rigour, a quality that this pamphlet does not have. What can we make of her theory if we read one thing on one page and the opposite on the next? In fact we showed that Fortunati's convoluted style actually hides contradictions and the lack of conceptual clarity in her content.

If readers are not intimidated enough by Fortunati's style, they will surely be by her methodology. Fortunati's analysis starts with an axiom, a 'truth', which the reader has to accept without arguments or justifications for it: 'labour power is a commodity like all others, contained within the person of the worker'. This 'truth' and its 'logical' consequences contradict facts and previous theories, but this does not mean that there is something wrong - only that those facts are 'apparent' and those theories are 'misconceived' - she says with an authoritative tone which does not admit

concept of giving charity to the undeserving poor is... very anti-capitalist too indeed. On the other hand, the form of parental support as *pocket money*, unlike that in form of directly providing the child what he needs, is a *very* capitalist form which the archaic relation of parents and children assumes in capitalism! Indeed, modern parents feel the importance of teaching their children 'the value of money' by giving them *money*, *not use values*. This obliges the children to think about budgeting and to take up jobs outside home if they go above budget beyond their parents' economic possibilities - which is the necessary training to accept the conditions of life imposed by the commodity form, including the curse of being in waged work for the rest of their life, as the natural and only possible way of living.

⁶⁵ There are also differences between Fortunati and Dalla Costa. In *The Power of Women and the Subversion of the Community*, Dalla Costa sees the demand of wages for housework as a useful way to build up a struggle - but the real aim of housewives' struggle, she says correctly, is to develop new social relations, to challenge the present ones, which substantiate the housewives' self-identification with their roles, and their isolation. Fortunati, instead, merely limits herself to demand better economic and social status for women in terms of a bourgeois definition of status: more money, more consumption, a reduction of housework hours, and a wage for the houseworker (See also Poldi Fortunati, 'The Housewife', in *All Work and No Pay, Women, Housework, and the Wages Due*, (1974) Ed. Wendy Edmond and Suzie Fleming, London: Power of Woman Collective and Falling Wall Press, pp.13-19).

reply.⁶⁶ The result of this methodology is a 'new theory' which needs plenty of suspended disbelief because it is at odds with reality, theories, logic, common sense, or concrete experience. This methodology explains the... arcane of all the 'complexities' that Fortunati seems to find in her subject matter page by page.⁶⁷

Indeed, even very simple facts become 'extremely complex' if they are analysed through a theory that is at odds with reality and which has rejected theories previously devised to explain reality straightforwardly.

So then, does housework create value, or not? We have seen in the previous sections that the answer is: no. Housework does not produce commodities, and the labour involved in it cannot be abstracted and measured as abstract labour, as a contribution to value. But we have also seen the value supposedly created by housework cannot be pinned down anywhere.

In the TV comedy *The Fast Show* which was popular in UK at the end of the '90s one of the sketches was a studio interview, where a journalist invited an explorer to talk about a discovery he had made, of a monster in the wild. But, question by question, the explorer reveals that he did not see the monster because it was

invisible; that the monster made a terrifying silence; and that it did not leave traces because it hovered about. At this point the journalist gets up in anger and chases the explorer out of the studio. Fortunati's invisible value, which does not manifest itself on the market, which floats in the air, and that needs to be created again by the husband worker during the process of production while it had allegedly already been created by his wife in the process of reproduction, has exactly the same qualities of the *Fast Show*'s monster: i.e., if it is *really* there or not, if you swear about its existence or not, it does not make any difference in the world.

⁶⁶ For example, she denounces 'errors' (p.73); 'misunderstandings' (pp. 73, 80, 81); 'lack of clarity' (p. 91); 'misconceptions' (p. 59); 'blindness' (p. 91); 'misplaced assumptions' (p. 59); 'general confusion' and 'erroneous theories' (p. 116), etc. in all the history of Marxist thought previous to Fortunati.

⁶⁷ Fortunati also posits the 'existence' of a social relation of wage-work for the housewife, which 'appears otherwise' too, because it is mystified by the mediation of the husband, who acts as an 'agent' of capital. Again, the existence of this invisible wage-work relation is declared and sustained although it clashes with facts: every feature of family relations which does not fit with wage-work relations or productive work is declared to be a 'specific' feature of this *particular* wage relation, or of this *particular* production. See for example p. 105; p. 129; p. 139; or p. 157.



Mrs. Pain, first prize winner, in her existing kitchen

Family Kitchen Contest winners

MEET Mrs Dorothy Pain, winner of the first prize in FAMILY Autumn issue kitchen competition. This Ruislip, Middlesex, housewife—she lives at Cornwall Road—was still recovering from the shock when FAMILY's reporter called.

CLEVER CLEAVER AND HIS CLASS-STRUGGLE LENS

UNBELIEVABLE





(THIS IS SILLY!)

Théorie Communiste Responds

In *Aufheben* #11 we published a critique of our articles on 'decadence' (from *Aufheben* issues 2-4) by the French group *Théorie Communiste* (TC). In the following issue we published our reply to TC's critique. Since then we have had a number exchanges with TC in which they responded to our reply. We have collected together their written responses and an edited version of them (with footnotes added by us) is presented below.

In their response TC go some way towards clarifying their theoretical positions concerning some of the main issues that have arisen out of their original critique of our 'decadence' articles. Yet, while their response answers some of the questions we raised regarding TC's theory it still leaves many unanswered, notably in regard to their periodisation. And as we have already stated, we cannot accept their account of a conceptual shift in Marx's use of the concept of alienation. (For a critique of TC on the concept of alienation in Marx see Chris Arthur on our website.)

Originally we had planned to publish a short introduction to TC's response that would seek to respond in turn to the issues they raise, in particular the '*ad hominem*' point at the end; but we were unable to come to an agreement. On top of this, some of us feel that we don't have enough translated material to understand how the specific theoretical positions cohere within TC's theory as a whole and how the abstract formulations with which they present their positions are theoretically grounded or result from detailed particular analyses. As a result of these difficulties we decided to draw this particular exchange with TC in the pages of *Aufheben* to a close by giving TC the last word.

Whatever uncertainties and disagreements we have with them, TC have raised important questions and we hope to take some of these questions up in future issues of *Aufheben*.

After reading your text on TC in *Aufheben* #12, and assuming a good linguistic understanding on my part, it would seem that you raise three points on which we diverge, or on which additional work is required by TC in order to justify our analyses:

- 1) Doesn't the proletariat have to recognise itself as a class before abolishing itself?
- 2) The foundation of the possibility of a second phase of real subsumption in the concepts of capital and real subsumption.
- 3) The concept of alienation.

I have deliberately left the question of Althusser to one side. To approach this question in its own right would, on both sides, only lead us up a blind alley. However interesting it could be to examine and criticise Althusser's positions on a number of questions, to pose Althusser as the subject in his own right would ensnare us in our discussions, as he would become the positive or negative referent of the questions that we want to deal with. These questions would be transformed by making Althusser the point of reference.

1) Doesn't the proletariat have to recognise itself as a class before abolishing itself?

To put it briefly, we define the current cycle of struggles as a situation where the proletariat only exists as a class in its contradictory relation to capital, which precludes any confirmation of a workers' identity or any 'return to itself' in its opposition to capital; the contradiction with capital is for the proletariat a contradiction it faces with itself, a situation in which it calls itself into question.

The proletariat doesn't become a 'purely negative' being as a result of this, except if we understand by this the critique of any

conception of a revolutionary nature of the proletariat. We pass from a perspective where the proletariat finds *in itself* and in its opposition to capital its capacity to produce communism, to a perspective where this capacity is only acquired as an internal movement of that whose abolition it enables. Such an abolition thus becomes a historical process: the development of the relation and not the triumph of one of its terms in the form of its generalisation. The proletariat only produces communism in (and through) the course of the contradiction with capital and not in itself, emancipating itself from capital or revealing itself against it. There is no subversive being of the proletariat. If the negation is an internal moment of what is negated, the supersession is a development of the contradiction; it is not the revelation or actualisation of a revolutionary nature, but an internal historical production.

As the dissolution of the existing conditions, the proletariat is defined as a class within capital and in its relation with it, that is to say as the class of value producing labour and more precisely surplus-value producing labour. It is not as the dissolution of these categories that the proletariat poses itself as a class, is constituted as a class; rather it is as a class that the proletariat is this dissolution; this is the very content of its *objective* situation as a class. Its capacity to abolish capital and produce communism lies in its condition as class of the capitalist mode of production. The dissolution of all existing conditions is a class, *it is living labour in opposition to capital*. What has disappeared in the current crisis/restructuring is not this objective existence; it is the confirmation within the reproduction of capital of a proletarian identity. Exploitation simultaneously defines the proletariat as the class of surplus-value producing labour and as the dissolution of all existing conditions on the basis of these conditions, within the dynamic of the capitalist mode of production (understood as class struggle). The proletariat's capacity to bring about the abolition of the capitalist mode of production is contained in its strict situation as a class of this mode of production.

When we say that the proletariat only exists as a class within and against capital, that it produces its entire being, all its organisation, reality and constitution as a class in and against capital, we are merely stating that it is the class of surplus-value producing labour. As the class of productive labour, the proletariat constantly recognises itself as such in the course of any given struggle, the most immediate effect of which is always the social *polarisation* of classes.

The simplest things are often the most difficult to understand. A class recognises itself as a class through its relation to another class; a class only exists to the extent that it has to wage a struggle against another class. A class has no *prior* definition explaining and producing its contradiction with another class; it is only in the contradiction with another class that it recognises itself as a class. What disappears in the current cycle of struggles is the ability of this general relationship which defines classes to comprise a moment of return-to-self for the proletariat in the form of a definition of its own identity which it could oppose to capital (an identity which seemed *inherent* to the class and opposable to capital, when in fact it was nothing other than the particular product of a certain historical relation between the proletariat and capital, confirmed by the specific movement of capital). The proletariat does not become a 'purely negative being'; it is simply a class.

There exists an old framework that we have great difficulty in discarding: the confusion between the positive recognition of the proletariat as class and the particular historical forms of *self-organisation* and *autonomy*. In its struggles the proletariat assumes all the forms of organisation necessary for its action. But does this mean that when the proletariat assumes the organisational forms necessary for its immediate goals (communisation will equally be an immediate goal) it exists for itself as an *autonomous* class? No.

Self-organisation and union power belonged to the *same world* of the revolution as affirmation of the class. Self-organisation or the autonomy of the proletariat are not stronger or weaker constant tendencies in the class struggle, but determinate historical forms that it has taken. We can remove all content from these forms and call self-organisation any group of people deciding in common what they are going to do, but in this case all human activity is self-organisation and the term no longer carries any interest. Self-organisation and its content, workers' autonomy, arose from a contradiction between the proletariat and capital containing the capacity for the proletariat to relate to itself as class in its opposition to capital, that is to say a specific relation in which the proletariat was able to find in itself its foundation, its own constitution, its own reality, on the basis of a workers' identity which the modalities of the reproduction of capital had long been confirming. For the theories of self-organisation and of autonomy, it was a question of making the link between immediate struggles and the revolution via those elements in the struggles which could manifest a rupture with the integration of a defence and reproduction of the proletarian condition: the conquest of its identity autonomous from capital, autonomous from the political and union forms of this integration. Self-organisation and autonomy were only possible on the basis of the constitution of a workers' identity, a constitution which restructuring has swept aside.

It is the proletariat's very ability to find in its relation to capital the basis for constituting itself as an autonomous class

which has disappeared. The particularisation of the valorisation process, the 'big factory', the submission of fixed capital to the requirements of massified labour, the division between productive and unproductive activities, between production and unemployment, production and training...etc., all that which is superseded by the current restructuring, was the substance, at the very interior of the capitalist relation, of a proletarian identity and autonomy. Self-organisation and autonomy are not constants whose reappearance could be awaited with more or less patience; rather they constitute a completed cycle of struggle. For there to be self-organisation and autonomy it is necessary for there to be a self-affirmation of the productive class *in opposition to capital*. Today self-organisation and autonomy have paradoxically become the preserve of groups and militants (*cf* the clear evolution in France starting with the struggles in the steel industry in 1979) and above all of 'radical unions'. As a result the standard bearers of self-organisation have been reduced to opposing a 'pure' self-organisation (*i.e.* one which is confused with the struggle) to any fossilisation or union development of this. But in the real process of self-organisation there was always a constant evolution towards this fossilisation and unionisation; it is intrinsic to the type of contradiction which expresses itself in self-organisation as well as to the defence of the proletarian condition which constituted its unsurpassable limit. That self-organisation which in its purity is confused with the struggle has never existed. It is nothing other than an abstract ideology of the real course of struggles.

The class struggle in general is not autonomous. The fact that the actors in a struggle don't delegate to anyone else the task of determining the conduct of their struggle is not 'autonomy', rather it means that capitalist society is composed of contradictory interests and of forms of representation which in themselves reproduce the social relations which are being struggled against; it is to have an activity which defines the others or the constraints to be defined; it means that the group in struggle or the fraction of the class, or the class in its entirety, don't have their own definition in and of themselves, in some inherent way, but that this definition is the ensemble of social relations. Finally it means considering society as organic totality and activity. Autonomy supposes that the social definition of a group is inherent to that group, almost natural, and to the relations defined in the course of struggle with other similarly defined groups. Where there is organism, it sees only addition; where there is activity and relation, it sees only object and nature.

We can only talk of autonomy if the working class is capable of relating to itself in opposition to capital and of finding in this relation with itself the bases and the capacity for its affirmation as the dominant class. It comes down to a *formalisation of what we are in present society, which then becomes the basis of the new society to be constructed as the liberation of what we are*. The relations of production consequently only appear as a constraint.

It isn't the decline of workers' struggles or their current essentially 'defensive' character which explains the decline of autonomy; rather this is explained by their transformation, their inscription in a new relation to capital. In the current struggles, whether they are 'defensive' or 'offensive' (a distinction linked to the problematic of the increase in strength of the class, and for which the 'evidence' would have to be criticised), the proletariat recognises capital as its *raison d'être*, as its existence standing

opposite itself, as the only necessity of its own existence. From the moment where the class struggle is situated on the level of reproduction, the proletariat finds itself in any given struggle unable and unwilling to remain what it is. This isn't necessarily a question of startling declarations or 'radical' actions, but rather of all the practices which proletarians use to 'escape' or deny their own condition: the suicidal struggles at Cellatex¹, the strike at Vilvoorde², and many others where it is immediately apparent that the proletariat is nothing separate from capital and that it cannot remain nothing (that it demands to be reunited with capital neither fills in the abyss opened up by the struggle, nor suppresses the recognition and refusal on the part of the proletariat of itself as this abyss).

Theories of self-organisation or autonomy identify the being of the working class in the capitalist mode of production as the content of communism. It is 'enough' to liberate this being from the alien domination of capital (alien, since the proletariat is autonomous). Autonomy in itself fixes the revolution as affirmation of labour and defines the communist reorganisation of relations between individuals on this basis. Most critiques of self-organisation remain formal critiques, they merely state: self-organisation isn't 'good in itself' but is only the form of organisation of a struggle, it is the content which counts. This criticism fails to pose the question of the form itself, and does not consider this form to be a content, nor significant *in itself*.

If autonomy disappears as a perspective it is because the revolution can only have the communisation of society as its content, that is to say the abolition of the proletariat. With such a content, it becomes inappropriate to speak of autonomy and it is unlikely that such a programme would involve what is commonly understood as 'autonomous organisation'. The proletariat 'recognises itself as class', it recognises itself in this way in every conflict and even more so in a situation where its existence as a class is the situation it will have to confront. It is the content of this 'recognition' that must not be mistaken, nor must we continue to envisage it using categories from the old cycle as if these proceeded from themselves as natural forms of the class struggle. For the proletariat to recognise itself as a class won't be to 'return to itself', rather it will be a total extroversion in recognising itself as a category of the capitalist mode of production. In the conflict this 'recognition' will in fact be a practical knowledge of capital.

2) The foundation of the possibility of a second phase of real subsumption in the concept of capital and real subsumption.

¹ Cellatex was a textile mill in northern France that was threatened with closure in 2000. The workers occupied, briefly held officials hostage and threatened to blow up the plant which was full of poisonous and explosive chemicals. With banners reading 'We'll go all the way... boom boom.' they demonstrated their seriousness to the media by setting off small explosions and tossing chemicals into large fires in front of the factory gates. In a move not endearing them to environmentalists, they released some chemicals into the river and threatened more. After this they were offered and accepted a much more favourable redundancy package.

² Renault announced the closure of the Vilvoorde factory in Belgium in 1997. In what became known as the 'eurostrike' the workers occupied the plant, managed to prevent the hauling away of, and thus held 'hostage', 4,500 new cars. They made guerilla or commando raids to spread action to French plants. They received a lot of solidarity action both from Renault workers in France and Spain and from other Belgian carworkers culminating in a giant demonstration called at short notice in Brussels. After this the French Prime Minister came on to television to announce a big increase in the payoff to the workers.

The current restructuring is a second phase of the real subsumption of labour under capital. We will explain ourselves briefly here with canonical Marxian references on the subject from *Capital*, from the *Grundrisse*, from the *Missing Sixth Chapter*. We can't amalgamate or put on the same level absolute surplus-value and formal subsumption, or relative surplus-value and real subsumption. That is to say we can't confuse a conceptual determination of capital and a historical configuration. Relative surplus-value is the principle unifying the two phases of real subsumption. In this manner real subsumption has a history because it has a dynamic principle which forms it, makes it evolve, poses certain forms of the process of valorisation or circulation as fetters and transforms them. Relative surplus-value, which affects the work process and all social combinations of the relation between the proletariat and capital, and consequently the relation between capitals, is what allows a continuity to be posed between the phases of real subsumption.

The first point then is to avoid amalgamating the forms of extraction of surplus-value and the historical configurations which relate to the concepts of formal and real subsumption. The second point consists of seeing the difference in the relation between absolute surplus-value and formal subsumption on the one hand and between relative surplus-value and real subsumption on the other. It is contained in the concept itself that the extraction of surplus-value in its absolute mode can be understood only on the level of the work process. Capital takes over an existing labour process which it lengthens and intensifies; at most it is content to regroup the workers. The relation between the extraction of surplus-value in its relative mode and real subsumption is much more complex. We can't be satisfied with defining real subsumption only on the level of transformations of the labour process. In fact for the introduction of machines to be synonymous with the growth in surplus-value in its relative mode, the increase in productivity which this introduction causes would have to affect the goods entering into the consumption of the working class. This necessitates the disappearance of small-scale agriculture, and capital's hold over Department 2 of production (that of means of consumption). This occurs, in its evolution, well after the introduction of machines in the labour process. But even this capitalist development in Department 2 must not be seized upon without reservations. In fact French and even English textile production at the beginning of the 19th century was mostly not destined for workers' consumption, but was sold on rural markets (and so depended on agricultural cycles), on the urban middle class market, or for export (cf. Rosier and Dockés, *Rythmes économiques* and Braudel and Labrousse, *Histoire économique et sociale de la France*, vol. 2). The extraction of relative surplus-value affects all social combinations, from the labour process to the political forms of workers' representation, passing through the integration of the reproduction of labour-power in the cycle of capital, the role of the credit system, the constitution of a specifically capitalist world market (not only merchant capitalist), the subordination of science (this subsumption of society occurs at different rhythms in different countries; historically Britain played a pioneer role). Real subsumption is a transformation of society and not of the labour process alone.

We can only speak of real subsumption at the moment when all social combinations are affected. The process whereby totality is affected has its own criterion. Real subsumption becomes an organic system; that is to say it proceeds from its *own presuppositions* in order to create from itself the organs which are necessary to it; this is how it becomes a totality. Real subsumption conditions itself, whereas formal subsumption transforms and models a pre-existing social and economic fabric according to the interests and needs of capital.

This allows us to introduce a third point: the real subsumption of labour (and thus of society) under capital is by its nature *always unfinished*. It is in the nature of real subsumption to reach points of rupture because real subsumption overdetermines the crises of capital as an *unfinished quality of capitalist society*. This was the case in the creation by capital of the specific organs and modalities of the absorption of social labour-power of the first phase of real subsumption. Real subsumption is by nature a perpetual self-construction punctuated by crises; the principle of this self-construction resides in its basic principle, the extraction of surplus-value in its relative mode. But even if the current restructuring can be considered to have been accomplished, it is a defining element of the period. Restructuring will never be complete in the sense that the policies of restructuring are exhausted. On the contrary they will be pursued in a sustained manner, the '[neo-]liberal offensive' won't stop, it will always have new rigidities to overturn. It is the same for world capitalist integration which constantly has to be redefined by pressures between allies and policing military interventions.

This permanent self-construction of real subsumption is entailed by in the extraction of surplus-value in its relative mode. From this point of view the axes which brought about the fall in the rate of profit in the previous phase offer us a vision of the elements which capital had to abolish, transform, or supersede in the restructuring. It is from relative surplus-value that we must start in order to understand how the first phase of real subsumption enters into crisis at the beginning of the 1970s. What was constituted in its interior as a fetter to it?

In this restructuring, the contradiction which the old cycle of struggles had thrown up is abolished and superseded – that is the contradiction between, on the one hand, labour-power created, reproduced and instrumentalised by capital in a collective and social manner, and, on the other, the forms of appropriation of this labour-power by capital, whether in the immediate production process (the assembly line, the system of the 'big factory'), in the process of reproduction of labour-power (welfare) or in the relation between capitals (national areas of capital distribution [*péréquation*]). This was the situation of conflict which manifested itself as workers' identity *confirmed in the very reproduction of capital*. It was the architectural separation between the integration of the reproduction of labour-power and the transformation of surplus-value into additional capital and finally the increase in surplus-value in its relative mode, which became a fetter on valorisation on the basis of relative surplus-value. This means ultimately the way in which capital, as organic system, *constituted itself as society*.

This non-coincidence between production and reproduction was the basis of the formation and confirmation within the reproduction of capital of a workers' identity. Workers' identity allowed for a hiatus between the production of surplus-value and

the reproduction of the social relation, a hiatus enabling competition between two hegemonies, two forms of management, two forms of control of reproduction. For relative surplus value and its three definitive determinations (the labour process, the integration of the reproduction of labour-power, the distribution of the total capital [*péréquation*]) to be adequate to each other, there necessarily has to be a coincidence between production and reproduction; as a corollary, this necessarily implies a coalescence between the constitution and the reproduction of the proletariat as class on the one side and its contradiction with capital on the other.

It is clear that the passage from one phase of real subsumption to another cannot have the same amplitude as the passage from formal to real subsumption, but we can't be satisfied with merely positing a continuity between the two phases of real subsumption; a process of revelation to capital of its own truth. The change would then merely be the elimination of archaisms; the transformation would only be formal in this case, fundamentally changing nothing of the contradiction between proletariat and capital. Even the very notion of a crisis between the two phases would disappear. We wouldn't be passing from one particular configuration of the contradiction to another, and the notion of restructuring would disappear by the same count.

It will however be necessary to take all this up again in the much more 'empirical' way called for by your pertinent remarks on the periodisation presented by TC. You raise, amongst other problems, a question that we had completely left to one side, namely that of the criterion for the dominance of a mode of valorisation of capital. I haven't got a categorical response to give you. I think that it is necessary, of course, to take into account a study of the labour processes, but, as I attempt to show in my response, that can't be sufficient. I think that as far as real subsumption is concerned, the criterion for its dominance has to be sought out in the modalities of reproduction of labour-power (social and political modalities): social welfare systems, the invention of the category of the unemployed, the importance of trade unionism, etc. All this naturally accompanies the transformations in the labour process: the decline of handicrafts and domestic industry caused by the first phase of large-scale industry. In order for there to be real subsumption, according to my view, modalities of reproduction of labour-power must be created which are adequate to the transformations accomplished in the labour process. That is to say those modalities which ensure (and confirm) that labour-power no longer has any possible 'ways out' of its exchange with capital in the framework of this specifically capitalist labour process.

Some quotations, not so as to claim any orthodoxy, but to illustrate my thesis.

For capitalist relations to establish themselves at all presupposes that a certain historical level of social production has been attained. Even within the framework of an earlier mode of production certain needs and certain means of communication and production must have developed which go beyond the old relations of production and coerce them into the capitalist mould. But for the time being they need to be developed only to the point that permits the formal subsumption of labour under capital. On the basis of that change, however, specific changes in the mode of production are introduced which create new forces of production, and these in turn influence the mode of production so that new real conditions come into

being. Thus a complete economic revolution is brought about. *On the one hand, it creates the real conditions for the domination of labour for capital, perfecting the process and providing it with the appropriate framework.* On the other hand, by evolving conditions of production and communication and productive forces of labour antagonistic to the workers involved in them, this revolution creates the real premises of a new mode of production, one that abolishes the contradictory form of capitalism. It thereby creates the material basis of a newly shaped social process and hence of a new social formation. (*Missing Sixth Chapter* p.1064, my italics)

It must be kept in mind that the new forces of production and relations of production do not develop out of *nothing*, nor drop from the sky, nor from the womb of the self-positing Idea; but from within and in antithesis to the existing development of production and the inherited, traditional relations of property. While in the completed bourgeois system every economic relation presupposes every other in its bourgeois economic form, and everything posited is thus also a presupposition, this is the case with every organic system. This organic system itself, as a totality, has its presuppositions, and its development to its totality consists precisely in subordinating all elements of society to itself, or in creating out of it the organs which it still lacks. This is historically how it becomes a totality. (*Grundrisse* p.278)

If we consider bourgeois society as a whole, society always appears as the last result of the process, i.e. man in his social relations.' (*Grundrisse* - quote translated from french)

It seems to me that it is not possible to understand the real subsumption of labour under capital without considering that what occurs in the labour process only resolves itself outside of it. Capital, as society (in the sense that the two preceding quotes seek to define), is a perpetual work of the formation of its inherent contradictions at the level of its reproduction which undergoes phases of profound mutations. It is possible to go so far as to say that the real subsumption of labour under capital is defined as capital becoming *capitalist society*, i.e. presupposing itself in its evolution and in the creation of its organs. It is for this reason that real subsumption is a historical period whose indicative historical limits can be fixed. Beyond this, as you emphasise, there will always be transformations, but these are made on the achieved basis of capitalist society which is implied in the very concept of the extraction of surplus value in its relative form.

Finally, for the sake of argument if I were to accept *all* your criticisms of the utilisation we make of the concept of real subsumption and we were to abandon, for the period which has opened up, the denomination 'second phase of real subsumption', that would change a lot of things, but not the essential content of what we are saying: there has been a restructuring of the relation of exploitation, of the contradiction between proletariat and capital. That is what is essential, and this is what must be discussed.

3) On alienation

It's clear that we often mean the same thing by the different terms 'alienation' and 'exploitation': the subsumption of labour under capital, reciprocal implication, the self-presupposition of capital. My critique of the concept of alienation is not a 'war' on the utilisation of the term; we in TC use the term ourselves, and

in *Critical Foundations*... I use the concept of alienated labour or the alienation of labour. My critique bears explicitly upon the Hegelian or Feuerbachian usage of the concept that quickly pollutes it.

You draw out in pertinent fashion the numerous utilisations of the concept of alienation in the *Grundrisse*, the *Missing Sixth Chapter*, etc. I maintain however that it is not the same concept as in the *1844 Manuscripts*. Whereas in the *Manuscripts* the concept of alienation is the very explanatory dynamic of the reality it is given the job of explaining, in the texts you cite alienation is the thing that is being explained. It is submitted to the concept of the capitalist mode of production; we are far from the total explanatory power of 'alienated labour' of the *1844 Manuscripts*:

To the extent that, from the standpoint of capital and wage labour, the creation of the objective body of activity happens in antithesis to the immediate labour capacity -- that this process of objectification in fact appears as a process of dispossession from the standpoint of labour or as appropriation of alien labour from the standpoint of capital -- to that extent, this twisting and inversion [Verdrehung und Verkehrung] is a real [phenomenon], not a merely supposed one existing merely in the imagination of the workers and the capitalists. But obviously this process of inversion is a merely historical necessity, a necessity for the development of the forces of production solely from a specific historic point of departure, or basis (*Grundrisse* p.831-832).

Alienation is no longer the primary concept in which all the others have their origin; this concept rather results from the production relation of capital, and not the inverse:

Thus, the question whether capital is productive or not is absurd. Labour itself is *productive only* if absorbed into capital, where capital forms the basis of production, and where the capitalist is therefore in command of production. The productivity of labour becomes the productive force of capital just as the general exchange value of commodities fixes itself in money. Labour, such as it exists *for itself* in the worker in opposition to capital, that is, labour in its *immediate being*, separated from capital, is *not productive*. Nor does it ever become *productive* as an activity of the worker so long as it merely enters the simple, only formally transforming process of circulation. Therefore, those who demonstrate that the productive force ascribed to capital is a *displacement*, a *transposition of the productive force* of labour, forget precisely that capital itself is essentially this *displacement*, this *transposition*, and that wage labour as such presupposes capital, so that, from its standpoint as well, capital is this *transubstantiation*; the necessary process of positing its own powers as *alien* to the worker.' (*Grundrisse*, p.308).

Let's compare with the *Manuscripts*:

We have considered the act of estrangement of practical human activity, of labour, from two aspects: (1) the relationship of the worker to the product of labour as an alien object that has power over him. (...) (2) The relationship of labour to the *act of production* within labour. This relationship is the relationship of the worker to his own activity as something which is alien and does not belong to him ... (*1844 Manuscripts*, p.327).

It is true that we took the concept of alienated labour (alienated life) from political economy as a result of the movement of private property. But it is clear from an analysis of this concept that,

although private property appears as the basis and cause of alienated labour, it is in fact its consequence, just as the gods were originally not the cause but the effect of the confusion in men's minds. Later, however, this relationship becomes reciprocal. It is only when the development of private property reaches its ultimate point of culmination that this, its secret, re-emerges; namely, that is (a) the product of alienated labour, and (b) the means through which labour is alienated, the realization of this alienation.' (1844 *Manuscripts*, p. 332).

I know I'm only dealing with a *translation*, but supposing it is a correct one, the pronominal form in 'labour alienates itself' constitutes it as the creative power of social relations, which confirms the 'realization' which follows in the sentence.

I won't complicate things with long commentaries. It seems to me that from one text to the other, we are no longer talking about the same thing. In the *Manuscripts*, alienation is the first principle, and is explanatory, because the reference is the becoming of the human essence (its loss etc.). In the other texts alienation is itself explained by the relations of production, it describes a situation. In the quotes from the *Grundrisse*, the alienation of labour exists in the production relation of capital. It is not alienated labour, manifestation of man turning against him, which creates this relation; we have two real poles which confront each other and not only one, a labour which alienates itself 'within itself'. In the *Grundrisse* there are classes which are real subjects confronting each other in their reciprocal implication. In the *Manuscripts*, there are no classes and no reciprocal implication, but a subject which divides itself.

It is significant that you yourselves return to the search for this single subject which divides itself: 'Capital then is not just objectivised labour, both 'objectivised labour' and subjective labour without objectivity are socially created forms into which the unity of the social individual is split [my emphasis]' (*Aufheben* 12 p.41); 'In the alienation the subject exists on both sides as proletariat and as capital for capital is in a real sense simply the alienated powers of humanity.' (*ibid.* p.42 my emphasis). Revolution is then: 'a uniting of the fragmented social individual' (*ibid.* p.43). From this it follows that classes are the schism of a single subject.

It seems to me that you've got yourselves into a bit of a mess with this 'return to self of the subject'. You say: 'In a sense the subject who returns to itself is humanity not the proletariat, but this is a humanity that didn't exist before the alienation; it has come to be through alienation. [...] Thus the subject is not the proletariat nor a pre-existing humanity; the subject does not exist yet apart from the fragmented social individual produced in capitalism' (*ibid.* p.43). In a word, this means that alienation produces the subject that alienates itself – a tautology – but furthermore we have a right to ask ourselves what is this alienation which does the producing? Having no pre-existing subject, it is alienation itself that becomes subject. In no speculative theory of alienation do we encounter a pre-existing subject (i.e. one having existed concretely and historically – the fables of 'primitive communism' are pretty much out of fashion now) that alienates itself, but instead what we have is schism as its own movement. This movement is the unity that subsumes the elements that are divided. This is precisely where we have the whole speculative character of the concept. You write: 'The humanity from which we are alienated is a humanity which is not yet.' (*ibid.*). The formulation is quite obscure to me. How can a

thing that doesn't exist yet be a manifestation of myself that is currently alien to me? If such a thing is possible, it's because this thing which doesn't exist does actually exist: 'There is a coming to be of humanity through alienation.' (*ibid.*). It doesn't exist, but it does nevertheless because it is already the existing *raison d'être* of its becoming.

The cornerstone of such a construction resides in the following formulation: 'The human essence for the Marx of the 1844 *Manuscripts* is not a generic category, it is not fixed – it becomes. The human essence is outside the individual, in the historically determined social relations that he is immersed in.' (*ibid.* p.42). A first remark without great importance: it doesn't seem so obvious to me that the human essence isn't a generic category in the *Manuscripts*. The passage which begins 'man is a generic being because etc. etc.' doesn't seem to me to confirm this affirmation. But what is most important in these few lines is the double affirmation that they contain. On the one hand you say 'the human essence is not fixed', it becomes; on the other hand, 'the human essence is in social relations (...) it is immersed in them' (assuming a correct translation on our part³). You don't say without further ado 'the human essence is the ensemble of social relations'. We have *something* which is in the process of becoming, some *thing* which is 'in', *something* which is 'immersed'. Something is still 'in the process of becoming' within something else, even if this 'something else' is merely the form that it momentarily takes on.

This formulation of 'the historical essence', of 'the essence as a process of becoming' turns to dust as soon as it is uttered.

What we have here is the conception according to which the human essence, instead of being fixed, is identical to the historical process, understood as man's self-creation in time. It is not a question of an abstract ontology (Feuerbach) but of a phylogenesis.⁴ That doesn't prevent it, like any phylogenesis, from relating back to and being in conflict with an ontology.

The simple fact of conceiving historical development as human essence (in general this proposition is presented the other way round – the human essence as historical becoming – whereby it appears less *speculative*) supposes that the *a priori* categories of this essence have been defined (if we say that these categories are given by history, then we are just going round in a circle). Such categories are *realized*, even if we stretch subtlety to the point of saying that they only exist in realizing themselves, i.e. as history. Here of course it is a matter of the definition of man as generic being and of the attributes of this being: universality, consciousness, freedom. The human essence is no longer abstract, in the sense that it is now formed and defined outside of its being and of its existence, but that doesn't prevent it from only functioning in its identity with history by assuming that it has within it a hard core of categories which form the basis, like it or not, of an ontology. This essence that is identical to history functions upon the binary: substance (the hard core) and tendency. The tendency is merely the retrospective

³ As can be seen by comparing this translated quotation with the original above, TC did in fact mistranslate this passage, construing the human essence as the thing being immersed when it was in fact the individual who was being described as immersed in the social relations. However it is debatable how much this changes the force of their criticism, for it is true that the human essence was not immediately identified with these social relations but was described as being 'in' them.

⁴ Phylogenesis: (biology) the sequence of events involved in the evolutionary development and history of a species of organism or social group.

abstraction of the result to which the hard core cannot escape bringing us. Thus the essence that is identical to history necessarily produces a teleology, in other words the disappearance of history.

The teleological development is contained within the very premises. The point of departure, given in the notion of generic being and in its attributes, is the problematic of subject and object, of thought and being, which is at the foundations of all philosophy. This means that we can give whatever answer imaginable, but it is in the question that the mystification resides. If we accord primacy to the subject we are 'idealist', if we accord it to the object (nature in the philosophical sense) we are 'materialist'. Feuerbach, and following him Marx in the *Manuscripts*, attempts to go beyond this alternative in the name of 'concrete humanism' or 'naturalism'. Hence the definition that Marx provides in the 1844 *Manuscripts*:

Man is directly a natural being. As a natural being, and as a living natural being, he is on the one hand equipped with natural powers, with vital powers, he is an active natural being; these powers exist in him as dispositions and capacities, as drives. On the other hand, as a natural, corporeal, sensuous, objective being, he is a suffering, conditioned, and limited being, like animals and plants. That is to say, the objects of his drives exist outside him as objects independent of him; but these objects are objects of his need, essential objects, indispensable to the exercise and confirmation of his essential powers. To say that man is a corporeal, living, real, sensuous, objective being with natural powers means that he has real, sensuous objects as the object of his being and of his vital expression, or that he can only express his life in real, sensuous objects (...) A being which does not have its nature outside itself is not a *natural* being and plays no part in the system of nature. A being which has no object outside itself is not an objective being. A being which is not itself an object for some third being has no being for its *object*, i.e., it is not objectively related. Its being is not objective. A non-objective being is a *non-being*. (op.cit., p389-90).

However Marx does not take this fused identity of subject and object, this consubstantiality, as something given, but as something historical. This is what the famous passage in the *Manuscripts* on 'the human eye' indicates, a passage directly lifted from a paragraph in *The Philosophy of the Future* by Feuerbach, who simply stated: 'the object of the eye is light and not sound or smell, it is through this object that the eye reveals its essence to us.' It is the application of this basic principle: the object of a being is its essence, whereby its being – the conditions of existence of the essence – is its essence, which Marx criticizes in *The German Ideology* as an apology for the existing state of things. However (second 'however' which brings us back to the subject-object which is identical *in itself* of the previous paragraph, only enriched), this historical becoming is nothing but an optical illusion. In fact the becoming is a *becoming adequate*.

The identity of subject and object which is *in itself* (the very definition of the subject) *can't help* but become a coincidence for *itself* (alienation is the middle term).

But man is not only a natural being; he is a human natural being; i.e., he is a being for himself and hence a species-being, as which he must confirm and realize himself both in his being and in his knowing. Consequently, human objects are not natural objects as they immediately present themselves, nor is human sense, in its

immediate and objective existence, human sensibility and human objectivity. Neither objective nor subjective nature is immediately present in a form adequate to the human being. And as everything natural must come into being, so man also has his process of origin in history. But for him history is a conscious process, and hence one which consciously superseded itself. History is the true natural history of man. (We shall return to this later.) (Marx, 1844 *Manuscripts*, p.391).⁵

Fortunately he returned to his senses and so never had to return to it later. We have here an identical subject-object, but as a natural human being. This identical subject-object can only immediately be identical in itself; as human, this natural being is a generic being, i.e. it takes itself as object. It follows that the object which defines it in itself in their identity, must become 'in and for itself'. We can easily recognise here the schema of *The Phenomenology of Spirit*. The subject is at first identical with its object, as exterior object (consciousness as knowledge of an exterior object: *consciousness*); next, the subject as its own object (consciousness as the very knowledge of myself: *self-consciousness*); finally, the subject is identical to its exterior object and to itself in this object (consciousness as knowledge of *thought*, something which is at the same time objective and interior: *reason*). History, then, is but a middle term, a moment posited *a priori* in the definition of the human essence; it is thus obvious that this human essence is the becoming *to the extent that it is in fact the becoming which is part of the human essence, and which is already posited in it*.

There is a text by Marcuse which illustrates this difficulty particularly well: *New Sources on the Foundation of Historical Materialism*⁶ published in 1932 (after his discovery of the *Manuscripts*):

For Marx, essence and factuality, the situation of essential history and the situation of factual history [i.e. the development of the essence of man and the succession of social forms, a distinction that Marx consigns to the dustbin of history in *The German Ideology*, by showing that the first term is nothing other than the *philosophical* vision of the second – author's note] are precisely not separate regions or levels, independent of each other: the historicity of man is *included in his essential determination*... But the knowledge of the historicity of historical existence in no way identifies the essential history of man with his factual history. We have already seen that man is not immediately 'one with his activity', but that he 'distinguishes' himself from it, that he 'has a relation' to it. In his case, essence and existence *separate* themselves: his existence is a 'means' of the realisation of his essence, or, in the case of alienation, his being is a means of his simple physical existence. If essence and existence are separate at this point, and if their reunification as *de facto* realisation is the truly free *mission* of human praxis, then, to the extent that factuality has installed itself to the point of completely *perverting* the human essence, the *radical suppression* of this factuality is the absolute *mission*. It is precisely the unfailing consideration of the essence of man which becomes the implacable motor of the justification of the radical revolution: it is not only a question of an economic or political crisis [written in 1932 – author's note] in the factual situation of capitalism, but also of a catastrophe of the human essence. To understand this is to condemn to failure in advance and without reservation any purely economic or political *reform* and to

⁵ This passage was actually crossed out in the manuscript.

⁶ Published in English in the Verso anthology *From Luther to Popper*. We were unable to find a copy and so publish here a translation from the French.

demand unconditionally the catastrophic suppression of the factual status quo by *total revolution*.

Such a discourse constantly contradicts itself. The historicity of the human essence (and its alienation) is belied by the unflinching consideration of 'the essence of man', which is the *raison d'être* of its historicity (a veritable contradiction in terms) and to which we are constantly referred back, as if to an ultimate standard.

This conception of the human essence as historical becoming leads you to a reading that I absolutely do not share of the quotation you take from the *Missing Sixth Chapter*: 'This is exactly *the same* relation in the sphere of material production, in the real social life process — for this is the production process — as is represented by *religion* in the ideological sphere: the inversion of the subject into the object and *vice versa*. Looked at *historically* this inversion appears as the point of entry necessary in order to enforce, at the expense of the majority, the creation of wealth as such, i.e. the ruthless development of the productive powers of social labour, which alone can form the material basis for a free human society. It is necessary to pass through this antagonistic form, just as man had first to shape his spiritual forces in a religious form, as powers independent of him.' (p.990). If one wishes to talk, as you do, of this text in terms of 'the necessity of alienation', then the question must be asked of the status of this necessity. In this quote, the question doesn't relate back to that of the *Manuscripts*. The question of 'the necessity of alienation' in the *Manuscripts* revolves around: how (and what's worse, *why*) does labour come to alienate itself? Here, in the *Missing Sixth Chapter*, the question is one of how this epoch of capital produces its own disappearance. We have passed from a speculative question to a historical one. Not to see this difference means that the course of history, which is properly understood as *production*, is only understood as a *realization*.

I don't understand why you didn't continue the quote from the *Missing Sixth Chapter* that you put forward, because what follows seems initially to back up your thesis remarkably well.

It is the *alienation process* of his own labour. To that extent, the worker here stands higher than the capitalist from the outset, in that the latter is rooted in that alienation process and finds in it his absolute satisfaction, whereas the worker, as its victim, stands from the outset in a relation of rebellion towards it and perceives it as a process of enslavement.' (*Missing Sixth Chapter*, p. 990).

These few lines seem to be reminiscent of the famous paragraph from the *Holy Family* that you cite elsewhere. But, here too, let us compare. The 'process of the alienation of labour' (*Missing Sixth Chapter*) comes to replace 'the same alienation of man' (*Holy Family*); the capitalist is 'plunged into a process of alienation' (*Missing Sixth Chapter*), whereas previously it was a question of his 'alienation of himself' (*Holy Family*) through which he was to acquire 'the illusion of a human existence' (*Holy Family*); the workers in the *Missing Sixth Chapter* are 'victims', 'in a situation of rebellion', as if in 'slavery', whereas in the *Holy Family*, the 'proletarian class' found in alienation 'the reality of an inhuman existence' or 'the contradiction which exists between his human nature and his real condition which is the frank, categorical, total negation of this nature'; all this is replaced by the simple situation of the worker who is 'victim' and rebels because he is in this situation. In the *Missing Sixth Chapter*, the

text continues as follows: '...the capitalist is just as enslaved to capital [because his obsession is the self-valorisation of capital — author's note] as the worker at the opposite pole'. Here, the common 'enslavement to capital' has replaced 'the same alienation of man'. I won't comment on the explicit reference to Hegel which is made in the *Holy Family*, I think that the simple comparison of the two texts, which freely echo each other in obvious fashion, is sufficient for my exposition.

I will now place the quotation you make of the *Missing Sixth Chapter* in relation to another from the same work:

The view outlined here diverges sharply from the one current among bourgeois economists imprisoned within capitalist ways of thought. Such thinkers do indeed realize how production takes place *within* capitalist relations. But they do not understand how these *relations* are themselves produced, together with the material preconditions of their dissolution. They do not see, therefore, that their *historical justification* as a *necessary form* of economic development and of the production of social wealth may be undermined. (op. cit., p. 1065).

'Necessity', 'historical justification', 'production of the supersession', the terms are still there, but no longer any trace of the 'facts without necessity' (1844 *Manuscripts*) to be transcended by the concepts of Labour or Man. We are now dealing with a completely different problematic. Capital itself suppresses its own historical signification: therein lies all the difference. And when, in the new cycle of struggles, this movement is the structure and the content of the very contradiction between proletariat and capital, it is all the ideologies which were still able to support and understand this movement as alienation which necessarily collapse, *including Marx's objectivism*. This is the price of the theoretical supersession of programmatism. To talk of an inevitable stage or passage doesn't necessarily feed into a teleology, to the extent that the supersession made possible by this stage doesn't precede it.

To understand these quotations within the problematic of the *Manuscripts* would lead us to think that the division of society into classes is a result of the fact that their suppression must be historically produced in a movement which abolishes its own necessity in its unfolding. Since we are now at a point where the division of society into classes can be abolished, we are to believe that all of past history had just that as its goal; the suppression of classes becomes the very reason of their origin. This entire problematic, which consists of searching for a cause, an origin of the division of society into classes, proceeds from *the belief according to which communism is the normal state of Humanity*. It really is a teleology.

It is in *The German Ideology*, following on from the *Theses on Feuerbach*, that Marx wipes the slate clean of this entire approach:

History is nothing but the succession of the separate generations, each of which exploits the materials, the capital funds, the productive forces handed down to it by all preceding generations, and thus, on the one hand, continues the traditional activity in completely changed circumstances and, on the other, modifies the old circumstances with a completely changed activity. This can be speculatively distorted so that later history is made the goal of earlier history, e.g. the goal ascribed to the discovery of America is to further the eruption of the French Revolution.

Thereby history receives its own special aims and becomes 'a person ranking with other persons' (to wit: 'Self-Consciousness, Criticism, the Unique', etc.), while what is designated with the words 'destiny', 'goal', 'germ', or 'idea' of earlier history is nothing more than an abstraction formed from later history, from the active influence which earlier history exercises on later history (p.60) 'This sum of productive forces, capital funds and social forms of intercourse, which every individual and generation finds in existence as something given, is the real basis of what the philosophers have conceived as 'substance' and 'essence of man', and what they have deified and attacked (p.51) 'Thus the communists in practice treat the conditions created up to now by production and intercourse as inorganic conditions, *without, however, imagining that it was the plan or the destiny of previous generations to give them material* (my emphasis), and without believing that these conditions were inorganic for the individuals creating them. (p.88)

As regards the method of political economy, Marx writes in the 1857 *Introduction*: 'What is called historical evolution depends in general on the fact that the latest form regards earlier ones as stages in the development of itself'. The process of formation of capital is certainly in relation to that which precedes it, but it is not *in* that which precedes it, nor is it the result of a historical trajectory having its own dynamic as *raison d'être* of the succession of historical social formations: 'its process of formation [of capital] is the process of dissolution, the process of decomposition of the social mode of production which precedes it' (*Theories Of Surplus Value*, quote translated from the French).

If from a philosophical point of view one considers this evolution of individuals in the common conditions of existence of estates and classes, which followed on one another, and in the accompanying general conceptions forced upon them, it is certainly very easy to imagine that in these individuals the species, or 'Man', has evolved, or that they evolved 'Man' — and in this way one can give history some hard clouts on the ear. One can conceive these various estates and classes to be specific terms of the general expression, subordinate varieties of the species, or evolutionary phases of 'Man' (*The German Ideology*, Chapter 4)

And finally:

The individuals, who are no longer subject to the division of labour, have been conceived by the philosophers as an ideal, under the name 'Man'. They have conceived the whole process which we have outlined as the evolutionary process of 'Man', so that at every historical stage 'Man' was substituted for the individuals and shown as the motive force of history. The whole process was thus conceived as a process of the self-estrangement of 'Man', and this was essentially due to the fact that the average individual of the later stage was always foisted on to the earlier stage, and the consciousness of a later age on to the individuals of an earlier. (*The German Ideology*, p. 86)

Here we have the genetic explanation of the concept of man and the general form of the critique of all these utilisations. As soon as we lock ourselves in the aporias of alienation and Man, we can't escape succumbing to an optical illusion: this subject, this principle, is the imagined Man of communist society in relation to whom all the anterior limitations appear as absolutely contingent. The imagined individual of communist society is substituted for that of the anterior social forms; it becomes self-evident that for this individual all the anterior limits can only be

contingent, which a *contrario* transforms this individual into a substantial transhistorical nucleus and allows the hard human nucleus to be set free, once it has, in order to become adequate to itself, accomplished all these avatars.

It is clear that this critique of teleology doesn't mean that once the proletarian condition has been abolished we pass to a different period without any relation to the previous one apart from the end of exploitation. The link with the preceding stage is constituted by the historical significance of capital which is in no way a sum of seeds, but a certain stage of the contradiction between capital and proletariat; it is a content and a structuring of the contradiction between proletariat and capital, i.e. of the course of exploitation, which resolves itself in the capacity which the proletariat finds, in the contradiction with capital, of producing communism.

If communism resolves and supersedes this separation of individual and social activity, and if all of past history, as history of the class struggle, is the history of this division, this is not to say that it was bound to end up in this supersession, nor that this history splits into two within itself: in itself as principle or abstraction (the socialisation of nature, the development of productive forces, the fragmented social individual), and in itself as concrete history. This division is not the *raison d'être* of its own history, which means that it doesn't carry its own supersession within itself like a hidden quality that it is to deploy as history until communism. Something mysterious is conferred on history by trying paradoxically to explain it, to give an account of it, by the deployment of a 'hidden' quality, an original potentiality. It is not the nature of labour, a constraint on the development of the productive forces or the self-alienation of labour, which produces the division of society, rather it is *the division of society which we have at the beginning and which we have as our point of departure*.

This separation has neither conceptual nor historical (chronological) origin; *the search for the origin always consists of positing a single reality, not yet divided*, i.e. not seeking a comprehension of history, but something before history. Whether we consider this something to be an abstraction or a historical reality, it only remains to convert each historical fact, each period, into the chosen original formula according to the following principle:

Mr Lange (*On the workers' question*, etc., 2nd edition) pays me great compliments, but with the object of increasing his own importance. Mr Lange, you see, has made a great discovery. All history may be subsumed in one single great natural law. This natural law is the *phrase* — the Darwinian expression becomes, in this application, just a phrase — 'struggle for life', and the content of this phrase is the Malthusian law of population, or rather overpopulation. Thus, instead of analysing this 'struggle for life' as it manifests itself historically in various specific forms of society, all that need be done is to transpose every given struggle into the phrase 'struggle for life', and then this phrase into the Malthusian 'population fantasy'. It must be admitted that this is a very rewarding method — for stilted, mock-scientific, highfaluting ignorance and intellectual laziness. (Marx, *Letters to Kugelmann*, June 1870).

But let's call a truce in our marxology and pedantry — I hope we'll have another chance to distinguish ourselves in these two domains. I would like to finish these complements to my reply by

broaching a question which neither you, in your text on TC, nor we, in our reply, raise. I'm referring to the question of what is at stake in this dispute over alienation and humanity. I think that what's at stake resides (as always) in our understanding of capital and the contradiction between proletariat and capital, i.e. in the understanding of class struggle inasmuch as it is the process of production of communism. It seems to me that your conception of alienation leads you to understand the contradiction between the proletariat and capital as a transitional phase in a process of which it is but an element, a moment, which has its *raison d'être* outside itself; a moment of realization of a more 'global' and truly efficient contradiction. The contradiction between the proletariat and capital is the necessary moment in order to realize a communist supersession, but in fact it is just because in it the alienation of humanity has taken on a form that renders it surmountable. If, as in the *Manuscripts*, you have an alienation of Man, an alienation which is an anthropology, you can only be coherent if you have a transhistoric 'need for communism'.

What's at stake here resides in our capacity to take the events of the course of the class struggle as concrete, finite events, and not as the manifestation of an historical line which transcends them. The 'end' is produced; it is not already the hidden meaning of the movement. What is at stake is our existence in the immediate struggles and our relation to them. The teleological problematic of alienation dispenses with the need to confront the real, historical developments of capital for themselves, and the class struggles for themselves. It prevents us from conceiving these latter as really productive of history and theory. This problematic supposes that the question of the relation of class struggle and revolution is always already resolved (that's the way

you understand, for example, the quote from the *Missing Sixth Chapter* which has been the subject of much of our debate up to now).

I'll be straight to the point and *ad hominem*. To maintain the concept of alienation, with the acceptance which you have of this, allows you to maintain an abstract vision of autonomy and self-organisation (the true being of the proletariat), in spite of its historical collapse; and to continue to navigate (more or less comfortably) inside the direct action movement, as the critical consciousness of its shortcomings, i.e. whilst accepting its premises. Your texts such as those on 'Reclaim the Streets' or on the 'direct action movement' demonstrate well the desire to take on the analysis of current struggles in a concrete way. But your analyses weigh up the 'pros' and 'cons' of these movements. You don't broach the questions of the 'why' of these movements, of their 'existence', of what they contribute theoretically, of their existence as definitive of a period. Your general problematic doesn't prompt you to consider them as the very historical product of the contradiction between proletariat and capital and this contradiction as what these movements and these struggles are. It doesn't prompt you to take them all together as a whole, but instead to judge their different aspects. In a word, it doesn't prompt you to understand and periodise a veritable concrete history of the cycles of struggles because *the problematic of alienation is definitively a problematic of the revolutionary nature of the proletariat*.

In friendship,
for *Théorie Communiste*
R.S.



ATC reader

Aufheben

Brighton & Hove Unemployed Workers Centre
PO Box 2536
Rottingdean, BRIGHTON BN2 6LX
UK

aufheben99@yahoo.co.uk

www.geocities.com/aufheben2

Aufheben subscriptions

UK: £7 for three issues

Europe: £9 for three issues

Elsewhere: £11 for three issues

Cheques (sterling only) payable to **Aufheben**

Aufheben back issues

Issue 5 (autumn 1996)

Class struggles in France, Winter 1995; autonomists and capital's strategy; reviews: 'new movements', James Carr.

Issue 6 (autumn 1997)

What was the USSR? Part 1 (Trotsky and state capitalism); Reflections on Class War; Whatever happened to the Situationists?

Issue 7 (autumn 1998)

Retreat of social democracy, What was the USSR? Part 2 (Ticktin), Resurgence of class struggles in USA, Anti-fascism: Barrot replies.

Issue 8 (autumn 1999)

Editorial; Humanitarian war in Kosovo; Re-imposition of work in Britain and the 'social Europe'; What was the USSR? Part 3 (Left communism and the Russian Revolution)

Issue 9 (autumn 2000)

Zapatistas; What was the USSR Part 4: Towards a theory of the deformation of value under state capitalism. Back to the Situationist International.

Issue 10 (2002)

Anti-capitalism as ideology... and as movement? Behind the 21st century Intifada.

Issue 11 (2003)

Class re-composition in Argentina? From *operaismo* to 'autonomist Marxism'. *Théorie Communiste*: Beyond the ultra left? Review: *Change the World without taking Power*.

Issue 12 (2004)

Oil wars and world orders old and new. A phenomenal anti-war movement? Reply to *Théorie Communiste*. Review article: *Hotlines*.

Issues 5-9: 1.50 (UK and Europe) 2.50 (rest of world)

Issues 10-13: 3.00. (All prices include postage)

Sterling cheques only, payable to **Aufheben**

The Incomplete Marx

By F.C. Shortall

By showing how *Capital* is 'incomplete', *The Incomplete Marx* provides the basis for a radical re-interpretation of Marx that points beyond the Marx of *Capital*. As such, it is an important contribution to the criticism of orthodox objectivist and closed interpretations of Marx that have been passed down from classical Marxism. However, unlike other works that have begun to raise the question of the incompleteness of Marx and the need to go beyond *Capital*, *The Incomplete Marx* shows in detail how *Capital* itself necessarily came to be provisionally closed. The book is published by Avebury (Aldershot, 1994) but is now out of print. We have a limited number of copies available at £15 (UK and Europe) and £20 (elsewhere) – all prices include postage – from the usual address.

STOP THE CLOCK!

critiques of the new social workhouse

In recent years, a number of ex-autonomist and leftist groups have been trying to build a broad European-wide movement around a common programme of radical demands concerning unemployment, working-time reduction and a guaranteed minimum income. In the UK, too, such demands as a 'basic income', seen as a strategy for undermining the relation between work and human needs embodied in the wage, have been taken up not only by (post-)autonomists but also by Greens and more traditional leftists. Such strategies need to be judged in terms both of whether they come out of a real movement. When the working class is weak - as we are now - such demands merely contribute to the dynamic of capital. The articles in this pamphlet on reforms already taking place in Europe show very clearly how apparently radical demands, such as working-time reduction, have been co-opted as part of the post social democratic project.

We have put this collection of articles together because we feel that each of them serves as an important contribution to a confrontation with and critique of some of the prevailing currents in the political debate over how to take new working class struggles forward. This collection does not necessarily reflect a common project among the different groups. Nevertheless, you will find some common elements in the groups' perspectives - such as the refusal of work as a basic element of working class struggle, and the conviction that working class emancipation will come from working class self-activity not from mediators such as trade unions which seek accommodation with capital and the state. The kind of radical-reformist strategies we are attacking here are likely to re-emerge in different guises again and again until the link between the struggle to mitigate alienation and the struggle against alienation itself is finally realized and transcended, and human history can at last begin.

Contents

1. Preface: Putting the critique of capitalism back on the table (*Wildcat*)
2. Considerations of the agitations of unemployed and casual workers (*Mouvement Communiste*)
3. Unemployed recalcitrance and welfare restructuring in the UK today (*Aufheben*)
4. Reforming the welfare state to save capitalism (*Wildcat*)
5. Thirty-five hour week: Lower incomes and more work (*Wildcat*)
6. The awkward question of times (*Precari Nati*)
7. 'Thirty-five hours' against the proletariat (*Mouvement Communiste*)

£2.40 UK (inc. postage); £2.70 elsewhere (inc. postage)
Sterling or sterling cheques only, payable to **Aufheben**.

Aufheben

on the web

www.geocities.com/aufheben2

- ◆ **Aufheben #1-4**
- ◆ **Open Reply to Loren Goldner**
- ◆ **Stop the Clock!**
Critiques of the new social workhouse
- ◆ **The Politics of the Anti-Road Struggle and the Struggles of Anti-Road Politics:**
The case of the No M11 Link Road Campaign
- ◆ **Dole Autonomy Versus the Re-Imposition of Work:**
Analysis of the current tendency to workfare in the UK.
- ◆ **Dole Autonomy and Work re-imposition: An Epilogue**
- Reply to Kolinko:**
Carry on Inquiring!
- ◆ **Chris Arthur versus *Théorie Communiste* on Alienation**

.....**with more to come!**

